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ODA, Military Spending, and Political Conditionality: Non-governmental perspectives from the South

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ODA, MILITARY SPENDING, AND POLITICAL CONDITIONALITY:

Non-governmental perspectives from the South

A report prepared for

The Canadian Centre for Foreign Policy Development

and

The John Holmes Fund

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ODA, MILITARY SPENDING, AND POLITICAL CONDITIONALITY:

Non-governmental perspectives from the South

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Ploughshares
20th Anniversary 1976-1996

January 10, 1997

Mr. Steve Lee
Director
Canadian Centre for Foreign Policy Development
125 Sussex Drive
OTTAWA K1A 0G2

Dear Steve,

I am pleased to submit the final report on the project to solicit Southern NGO views on linking overseas development assistance to reductions in military spending (referred to in earlier correspondence and the March 26, 1996 contract as "views on arms spending"). The report is submitted with appreciation for the support of the Canadian Centre for Foreign Policy and the John Holmes Fund for this work, and with the hope that the assembled papers will make a constructive contribution to the Government's current efforts to develop practical options for advancing its policy objective of "enhancing the impact and effectiveness of development assistance by promoting effective budgetary allocations oriented to sustainable development and corresponding reductions in military expenditures in developing countries."

I am especially grateful to the five scholars who agreed to participate in the project. Their submissions constitute the core of report. In some instances further revisions are underway and additional material may be forthcoming.

As you know, the project was designed to engage the perspectives of Southern NGOs in the broad discussion now underway in Canada regarding the effectiveness of "conditionality" as a tool for promoting military spending reductions and for ensuring the most effective use of development assistance in support of sustainable development. The Government of Canada is well-placed to hear the views of both donor and aid recipient Governments, but may find it more difficult to gain access to the views of non-governmental communities in aid recipient countries. This report attempts to make a contribution from that perspective. Papers from the Horn of Africa, Southern Africa, South Asia, Central America and South America are included. An introductory paper reviews elements of the debate and reports briefly on some of the key arguments and concerns advanced in the five papers.

Attached to this letter is a copy of the "guidelines" provided to each participant to help focus the preparation of the papers. In addition, each contributor was provided with a copy of the Government's Discussion Paper on "Military Expenditures in Developing Countries."

While I will not in this letter attempt to summarize the findings and perspectives that emerge from the papers, I would like to draw your attention to two broad perspectives that emerge from the papers.

I. First, the papers are frank in their expression of serious doubts about the efficacy of direct conditionality. While the analyses and assessments vary, it is not overstating the point to report that a key view reflected in these papers is that among Southern NGOs or NGO communities, while strongly sharing or endorsing the dual policy objectives of enhancing the effectiveness of ODA and promoting reductions in military spending, there is significant skepticism concerning the likely effect of aid conditionality as a means of promoting constructive changes in security policy and practice in developing countries. It is pointed out that security policy and levels of military spending are the product of a wide range of local, national and regional conditions. External political and economic pressures that do not address these basic conditions will not be effective in producing either new security policies or in shifting the levels of resources devoted to military forces. Conditionality is also questioned on grounds that it may tend to involve external Governments too directly in what are essentially domestic political concerns and debates regarding the direction of security policy. It is also noted that it is very difficult to generalize about what might be regarded as appropriate levels of military spending or armed forces. Appropriateness inevitably depends on a range of local, national and regional circumstances and conditions.

II. Second, the papers emphasize that military spending reductions depend on changes in security conditions and approaches, and thus the discussions focus on ways of changing the political and security conditions that shape local, national and regional security needs and policies and that influence levels of military spending. The papers thus offer a rich survey of possible measures which can be roughly divided into four categories of attention:

1. *Democratization of the security debate*: Donor initiatives to link aid and military spending can provide important openings for NGOs in recipient countries to address security issues (long considered the preserve of elite groups within the state structure). And while many NGOs in recipient countries are relatively new to addressing military/security issues, and thus not always well-equipped or prepared to make specific recommendations regarding security policy or appropriate levels of military spending, the donor community's steps to place the issue on the political agenda will help to promote public debate and the pursuit of alternative, human-centred, approaches to security.

2. *Peaceful resolution of conflict*: Current security policies and levels of military spending are obviously linked to conditions of conflict, but such conflicts are prone to escalate to violence due in no small part to the paucity of alternative means of pursuing the resolution of conflict. Hence, the promotion of peace dialogues in existing armed conflicts, or threatened armed conflicts, must become a priority. Some ODA could be constructively channelled in support of such initiatives and away from explicit support for military measures.

3. *Effective development strategies*: Any move toward conditionality or other measures to promote reductions in military expenditures must proceed from the objective of making development assistance and capital investment more effective and people friendly. While some, of course, fear that efforts to link aid to military spending cuts are actually a cover to cut aid, but the papers express support for measures that focus on making aid more effective, and donor efforts to encourage reductions in military spending in aid recipient countries must be seen as just one means toward that end.

4. *Carrots over sticks*: The use of "sticks" to press for reductions in military spending may have a place, but there is clear agreement that "carrots" will be much more effective. As Prof. Cawthra put it, "'Carrots' in the form of funding and technical assistance to facilitate demobilization, enhance civil-military relations, support institution building for the management of common security, promote arms control and disarmament and enhance transparency and accountability in the security field are essential to ensure sustainable demilitarization which is rooted in a renaissance of civil society."

I commend the attached materials to you and your colleagues and look forward to a continuing exchange of views on future policy options for promoting sustainable development in the context of planning for the sustainable demilitarization of conflict.

Sincerely,

Ernie Regehr
Policy and Public Affairs Director
Project Ploughshares

ODA, Military Spending, and Political Conditionality:
Non-Governmental perspectives from the South

Guidelines:
for papers to assess and analyze, from a non-governmental perspective, the advantages and disadvantages (as well as other implications) of linking development assistance to the promotion of reductions in military spending in developing countries.

Malibub ul Haq, who has been the principal author of the UN's annual **Human Development Report**, urges a new focus on third world disarmament and on radically reducing military spending in favour of greater spending on economic and social development. He told a UN NGO conference in the fall of 1995 that the emphasis on security must change from national security to human security, and that, (by way of example), "all of the countries in South Asia...should start with a 5% reduction in their military expenditure...and put it into the education and health of their children." He went on to say:

> I think military expenditure in the Third World has increased to the point where some very drastic actions will have to be taken to slow down the appetite of these nations for military equipment.... Military generals come and insist on air conditioned jeeps...while our children can not even have windowless schools. I think it has gone too far, this whole appetite for military equipment. And while I am against aid conditionality as a matter of principle – I think persuasion is far better than coercion–I think at least in this respect I stand for aid conditionality for military expenditure. Many donor countries have said – Japan and Germany, [as well as] the IMF and World Bank and others – that we will take the military expenditure of countries into account when giving assistance.... I think we should take it seriously and have some clear signals from the international system that if countries want to spend more on arms rather than on their people, they are not entitled to international generosity."

(Panel on "Reducing Military Expenditures: Freeing Resources for Development," October 30, 1995, UN Centre for Disarmament Affairs, the UN Department of Public Information, and the NGO Committee on Disarmament)

The Canadian government's current consultations on the issue is a way of "taking it seriously." The views of a broad range of governments, individuals and NGOs are being solicited to develop options for pursuing its policy objective to:

> "enhance the impact and effectiveness as of development assistance by promoting effective budgetary allocations oriented to sustainable development and corresponding reductions in military expenditures in developing countries."

Your paper will be an important contribution to this consultation effort. To that end I would ask you to provide analysis which clarifies the arguments of the NGO community in your region, either in support of or against proposals for aid conditionality related to levels of military spending in aid recipient countries.

Your paper should provide a basic non-governmental assessment of the feasibility and desirability of applying conditions to development assistance as a means of promoting reductions in military spending in developing countries. Several additional and related questions could be addressed as well:

1. How should military spending be defined? There is not uniformity on the kinds of expenditures included in military budgets (e.g., distinctions between spending for national defence as compared to spending for domestic security; spending on other security institutions, intelligence agencies, national police, and so on).

2. What constitutes "excessive" military spending? Is it possible to develop objective measures for determining appropriate or legitimate levels of military spending, taking into account the regional security environment, levels of military spending by other countries in the region, the degree of civilian control over military priorities and operations, levels of resources available for economic and social development, and so on. Or, if a clear objective measurement is not possible, are there ways of making subjective measurements less arbitrary?

3. What measures can be taken to reduce the level of demand for military equipment and arms imports (and production) in developing countries?

4. A variety of actions are currently being contemplated. Please feel free to respond to any or all of the following action possibilities:

- Integrate the military spending issue into the ODA process, within the context of other priorities and country or regional strategic frameworks, so that ODA can encourage productive resource allocation in developing countries.

- Provide continuing support for democratization, good governance and conflict management in ODA programming decisions.

- Encourage and support efforts by developing countries to develop reintegration and demobilization programs.

- Support measures by the appropriate international institutions to enhance the availability, transparency, and comparability of data on military spending to provide the tools for effective action by the international community.

- Encourage the IFIs and the OECD/DAC to develop a methodology for defining "good performers" and "excessive military expenditures."

- Support increased IFI monitoring and assessment of the level of LDC resources allocated to the military sector, particularly in the poorest countries and in those where such expenditures may be considered excessive. This may be accomplished in the course of IFI country reviews and through the development of IFI lending strategies which support the reallocation of resources from the military to the civilian sector.

- Urge the OECD/DAC to take LDC military expenditures into account in case studies on developing countries.

- With the intention of building confidence between and among states, promote transparency measures which provide information on dimensions of the global arms trade and regional arms balances, e.g., complete and regular reporting to the UN Arms Register and the UN Standardized Reports on National Military Expenditures, and support for efforts to broaden the scope of the UN Arms Register and to supplement this with regional registers.

- Encourage security dialogues with the appropriate regional forums, e.g., the Organization for Security and Cooperation in Europe, ASEAN Regional Forum, the Organization of American States, and the Organization of African Unity.

- Work toward the development of restraint measures which provide a normative framework for reductions in the quantity and sophistication of military equipment being offered on the international market, while recognizing legitimate commercial interests. These could include:

  - negotiation of a multilateral code of conduct for arms suppliers;

  - the development and harmonization of supplier controls such as moratoria on the export of arms to countries engaged in conflict, regional arms races or where the arms could be used in the abuse of human rights.

- Seek support for constraint measures which place politically or legally binding restrictions on a country's ability to develop, produce, sell, deploy or buy specific types and quantities of armaments. These could include:
  - supplier regimes such as the Missile Technology Control Regime, the Australia Group and the new Wassenaar agreement, which seek to prevent the development of weapons of mass destruction and regional arms races by limiting widespread access to specific defence technologies and advanced weapons systems;

  - "micro-disarmament" initiatives such as gun buy-back programs, weapons cantonment, landmine-free zones and efforts to control the illicit weapons trade in order to reduce internal security threats and the corresponding pressures upon national governments to maintain high levels of defence expenditures.

You will clearly identify other issues and questions that from your perspective need to be addressed. Any relevant bibliography of helpful discussion of these issues within your region would also be most helpful. The above suggestions, questions and issues are noted to stimulate your response. You will obviously not be able to address them all, and indeed you will likely identify other issues and questions that from your perspective are more urgent and relevant to a better understanding of this general issue.

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Towards "the least diversion for armaments of the world's human and economic resources": southern NGO voices on military spending and conditionality
Ernie Regehr

A. Introduction

Whether the perspective is that of a northern donor Government committed to efficient management of dwindling development assistance funds, or southern Governments and NGOs faced with the enduring crisis of scarce capital, the substantial human and material resources still consumed for military purposes are being eyed with growing interest. The emerging and, by now, widely respected concept of "common security" (also referred to as "human"[1] or "cooperative" security, or a variety of other terms) recognizes that the security of individuals and communities depends significantly on a commitment to recovering resources from non-productive military spending and making them available for social and economic development. Hence, calls for military spending reductions and accompanying military reforms in the South are premised on both economic and traditional security grounds. With the ideological and competitive divisions of the Cold War now largely set aside, a dispassionate review of post World War II military roles suggests that an excessive reliance on military responses to local and regional political conflict contributes not only to persistent warfare and high levels of casualties, but also to the continued confiscation of resources desperately needed for development.

These early years of the post-Cold War era have spawned a broad-range of proposals and initiatives in support of demilitarization, North and South. Nicole Ball of the Washington-based Overseas Development Council describes this body of proposals for military reduction and

[1] Foreign Affairs Minister Lloyd Axworthy has welcomed the international community's efforts to rethink the concept of security and to elaborate the concept of "human security." "The concept of human security," he has recently said, "recognizes that human rights and fundamental freedoms, the rule of law, good governance, sustainable development and social equity are as important to global peace as are arms control and disarmament." ("Building Peace to Last: Establishing a Canadian Peacebuilding Initiative," Notes for an address by the Hon. Lloyd Axworthy at York University, Toronto, October 30, 1996).

reform as emphasizing: "smaller military forces; the elimination of wasteful military expenditure; the promotion of transparency and accountability in the military budget process; reductions in the defence-industrial sectors; conventional arms transfer control; commitment to non-proliferation, non-intervention, and non-aggression; depoliticization of armed forces; conflict resolution; and regional security guarantees."[2]

Demilitarization is now on the international political agenda. Northern Governments have undertaken military spending reductions within their own jurisdictions and, as donors and lenders, they are looking for similar cutbacks in aid recipient countries. Indeed, it is worth noting that it has been major changes in the political/security environment in the North that have led Northern Governments to press increasingly for military reform in the South. The pressure to reduce military spending in the South is related less to changes in objective security conditions in the South than it is to changed levels of political tolerance in the North for high levels of military spending in the South. The Cold War both promoted and tolerated high levels of military spending, but with the end of the Cold War Northern states, to greater and lessor degrees, are engaged in reducing their military budgets and are thus less inclined to continue to support through aid programs levels of military spending in the South that are considered excessive in comparison to spending on social and economic development.

At the same time, Northern interest in reducing Southern military spending runs up against two prominent realities. The first is that, worldwide by far the greatest diversion of human and material resources away from social purposes in favour of military forces occurs in the North. While Northern military spending is in significant decline, the sharpest declines have been in the states of the former Soviet Union, not among the industrial donor countries. Indeed, the latter's *share* of global military spending, while still in absolute overall decline, actually increased in the period 1987-1992, from about 50 to 60% of the world total. During the same

[2] Nicole Ball, *Pressing for Peace: Can Aid Induce Reform?* (Washington: Overseas Development Council, 1992), p. 9.

period the world share of the former Soviet states went from almost 40% to just under 20%, while the world share of military spending by the poorest 30% of countries remained constant at about 2%.[3] The second prominent reality is that development assistance funding has also declined sharply and remains well below the formal objective of .7% of GNP. In the period from 1988-89, when Canadian military and ODA spending reached a peak, to 1993-94, Canadian military spending was cut by 2.4%, compared with a 15% cut in ODA spending. Planned additional cuts to 1998-99 will bring the total military spending cuts to 29%, compared with ODA cuts of 43%.[4] In 1995, according to the North-South Institute, DAC countries spent .27% of GNP on ODA, despite an official goal of .7%, and from 1994 to 1995 ODA spending declined another 9%.[5]

So, while reducing military spending in capital poor developing countries is a widely shared and constructive objective, viewed as a global phenomenon, the problem of excessive capital being diverted away from constructive social purposes into non-productive military purposes is more acute in the North than in the South. And while the urge to make ODA as effective as possible in support of sustainable developmeent is welcomed, the persistent decline in Northern ODA spending has led at least some in the South to wonder whether explorations of conditionality are rooted more in an effort to legitimize aid reductions than to promote military spending reductions.

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[3] James W. Moore, *Military Spending in the Developing World* (Project Report No. 9616, Directorate of Strategic Analysis, Policy and Communications Group, Department of National Defence, Canada, August 1996), pp. 18-23.

[4] Bill Robinson, "Cuts continue while DND drifts," *Ploughshares Monitor* (Vol. XVII, No.1, March 1996), p. 10.

[5] *Fairness in a Shifting World: Canadian Development Report 1996-97*, The North-South Institute (Ottawa: Renouf, 1996), pp. 98-99.

B. Emerging international norms for reduced military spending

While the 1990s have witnessed a welcome decline in military spending, a key political question that must attend efforts to link ODA to military spending reductions in developing countries is whether there is in fact an emerging international consensus regarding the need to reduce military spending. A recent analysis of conditionality questions the existence of any such norm[6] on grounds that no international treaty exists that commits countries to spend as little as possible, or some specific proportion of their budgets, on military forces. Nor is there, the authors argue, any "habitual practice" or common law convention in support of an overall commitment to military spending reduction, and furthermore, there is no evidence that a significant number of individual states has unilaterally declared adherence to such norms. The study thus concludes that there is no norm regarding military spending that is either formally established or accepted by convention. But the authors may, in fact, be overstating the case.

Through several instruments the international community has explicitly issued general and comprehensive calls to minimize military spending. The international community has stated its collective intention to keep military spending as low as possible, consistent with legitimate defence needs, has formally agreed that reductions in armaments and armed forces are an essential component of maintaining international peace and security, and has asserted that military spending reductions are essential to economic development.

The *UN Charter* (Article 26) assigns to the Security Council responsibility for formulating and submitting to members of the UN plans for "the regulation of armaments" in order to "promote the establishment and maintenance of international peace and security with *the least diversion for armaments of the world's human and economic resources*" (emphasis added). Hence, while there is obviously no definition of excessive military spending provided here or in subsequent international agreements, there is established the clear principle that the use of

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[6] Peter Uvin and Isabelle Biagiotti, "Global Governance and the 'New' Political Conditionality," *Global Governance: A Review of Multilateralism and International Organizations*, Volume 2, Number 3, Sept.-Dec. 1996, pp. 377-400.

resources for military purposes is to be kept to a minimum and that, by implication, there is such a thing as excessive military spending, namely, whenever it exceeds the least amount needed to establish peace and security.

Subsequent declarations go further to state that international peace and security actually depend on there being reductions in military preparations and that reductions in armaments and armed forces are therefore in the interests of peace and security and are identified as an enduring objective of the international community. In 1978, the UN General Assembly adopted the Final Document of the special session of the General Assembly devoted to disarmament, which declared: "Genuine and lasting peace can only be created through the effective implementation of the security system provided for in the Charter of the United Nations and the speedy and substantial reduction of arms and armed forces, by international agreement and mutual example, leading ultimately to general and complete disarmament under effective international control." [Final Document, Special Session of the General Assembly on Disarmament 1978, paragraph 13.]

Similarly, the international community has declared that reductions in armaments and armed forces are also essential for development and for economic and social well-being. The 1982 UN study on The Relationship between Disarmament and Development concluded that excessive military spending undermines development and is incompatible with the international community's development objectives:

> "the world can either continue to pursue the arms race with characteristic vigour or move consciously and with deliberate speed toward a more stable and balanced social and economic development within a more sustainable international economic and political order. It cannot do both....The arms race and development are in a competitive relationship...." [paragraph 391.]

In addition, since the 1970s a series of international commissions, while not formal expressions of the will of the international community, have been undertaken by panels of eminent persons and have consistently called for reductions in military spending in the interests

of both security and economic well-being.[7] The recent report of The Commission on Global Governance (Chaired by Ingvar Carlsson and Shridath Ramphal) similarly concludes that "the development of military capabilities beyond that required for national defence and support of UN action is a potential threat to the security of people," and proposes a Demilitarization Fund "to help developing countries reduce their military commitments." It goes on to say that "collective military spending should be reduced to $500 billion by the end of the decade."[8]

The international community has in fact gone some distance in enunciating norms related to cuts in military spending: notably, that cuts in military spending are to be encouraged in the interests of international peace and security and in the interests of economic development. In these broad formulations, developing countries are not singled out for special attention (although it is acknowledged that the economic benefits of military spending cuts could be felt most directly and immediately by developing countries). While there is an implicit assumption in these calls for military spending cuts that the economic advancement of poorer countries should be a priority objective, the disarmament and military spending reduction imperatives do not target developing countries. The importance of developing criteria that apply equally to all states is assumed and can hardly be overstated. There are indeed international norms in support of deep reductions in military spending, and these norms are not regarded as applying only to a particular segment of the international community. They apply to all states. The 1982 study clearly suggests that the negative impact of military spending will be more acutely felt in less developed countries, but, through the recommendation of "an international disarmament fund for development" [paragraph 426.7.], the study just as clearly places the obligation to reduce military spending on all states. The study argues that "increasing the magnitude and predictability of

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[7] The commissions are best known through their respective chairs (Willy Brandt on development, Olaf Palme on Security, Gro Harlem Bruntland on environment and development, and Julius Nyerere on governance.

[8] *Our Global Neighbourhood: The Report of the Commission on Global Governance* (Oxford University Press, 1995), pp. 338, 341.

flows of capital to developing countries" is vitally important and that this end can be served by disarmament in industrialized countries provided that portions of the resulting budgetary savings would be used to support a "development fund." In 1973, the UN General Assembly passed a resolution to promote the "reduction of the military budgets of states members of the Security Council by 10% and utilization of part of the funds thus saved to provide assistance to developing countries...."[9]

Indeed, the political credibility of calls for spending cuts in developing countries depend on industrial countries also addressing their excessive military spending, inasmuch as "encouraging military reform in the South gains legitimacy when combined with military reform in the North."[10]

It is also clear that, to the extent that there is an emerging international consensus in support of minimizing military spending, it is not oriented toward the identification of particular "problem" countries. Rather, the problem is defined as the overall diversion for military purposes of scarce capital away from direct support of constructive social development. The objective therefore is defined as the elimination of all military spending that is not absolutely essential for security reasons.

C. Means of persuasion:

Whether the focus of global measures to reduce military expenditures is on particular countries thought to be outside the global norm, or whether it is on a general effort to reduce such spending, becomes especially important when discussion turns to appropriate means of mounting

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[9] United Nations Department of Political and Security Affairs, "Reduction of the Military Budgetts of States Members of the Security Council by 10% and Utilization of Part of the Funds Thus Saved to Promote Assistance to Developing Countries." Report of the Secretary-General (New York: United Nations, 1975). As quoted by Uvin and Biagiotti, p. 392.

[10] Nicole Ball, *Pressing for Peace: Can Aid Induce Reform?* (Washington: Overseas Development Council, 1992), p. 1.

political pressures in support of military spending reductions. If there is an interest in using ODA as a lever against particular offenders, then there needs to be some objective definition of offender (e.g. a country in which military spending exceeds a certain % of GDP). On the other hand, if the objective is to minimize military spending in all instances and to use ODA to promote a process of global demilitarization, then the instrument is much less likely to be coercive, and more likely to be consultative -- even though the possibility of witholding ODA in the absence of concrete steps toward demilitarization may still be present.

With objectives clarified, e.g. to promote a broad global ethic and practice of demilitarization as distinct from the effort to discipline particular offending countries, attention must turn to the tools available to the international community to induce states to adhere to demilitarization norms and actually follow through on reducing military spending. One focus of the international discussion has been on *conditionality*, but other forms of inducement exist. Nicole Ball identifies three broad categories:[11]

1. In the first instance, *persuasion* through public declarations and private policy dialogue between donor and recipient states regarding military expenditure and reform options can be augmented by *external support.* "Financial assistance can help governments absorb extra costs associated with reform. Technical assistance can provide skilled manpower or equipment to carry out specific tasks required by reform. Diplomatic support may be necessary to create the political preconditions for significant reductions in military budgets in countries facing major security threats."

2. Additional levels of political and economic *pressure* can be applied without resorting to specific ultimatums or conditions. For example, "by setting expenditure and performance targets in non-military sectors, the World Bank and the International Monetary Fund are attempting to influence the level of military spending indirectly. Lenders are also experimenting with offering 'carrots' instead of 'sticks.' The Japanese government, for example, plans to

[11] Ball, p. 3.

reward countries for 'good behaviour' in the military sector -- an approach it terms 'positive linkage,' in contrast to the 'negative linkage' of conditionality."

3. And, of course, there is *conditionality* itself, defined by Ball as "the provision of an economic benefit only when its potential recipient agrees to undertake or abstain from specific actions."

The accompanying papers, written from an NGO perspective but not purporting to formally report an NGO position, support the broad objectives of reducing military spending and agree that external encouragement and even pressure can be helpful toward that end. In some instances local populations lack the level of engagement needed to support an effective domestic policy debate over levels of military spending, meaning that external pressures are generally welcome. While there is little support for direct conditionality, there is a great deal of support for international efforts to promote and support constructive domestic change.

D. Persuasion and external support:

1. There is a strong sense in the accompanying papers that the key to reducing military spending and to making more domestic resources available for development is to reduce the demand for military responses to internal and regional tensions. In turn, the pursuit of alternative, non-military approaches to enhancing security are seen to depend on democratization and good governance. External support can come through international dialogues and broad efforts to advance the idea that the security of ordinary people as well as particular regimes is enhanced by "good government, respect for human rights, economic and social development, confidence and security-building measures and the peaceful settlement of disputes through negotiation, mediation and conflict resolution." Demobilization and micro-disarmament also help to challenge the presumption in favour of military options and can benefit from external support for retraining and resettling former combatants. And, of course, regional security cooperation and confidence-building are essential to the reduction of military tensions (and thus reduce demands for high military spending).

2. A primary focus of policy dialogues among donor and recipient states should be to redefine security itself. In most instances countries do not face conventional military threats, but do face genuine threats in the form of serious social and economic challenges. Even in the face of widespread violence, the people of the south are at far greater risk of death due to malnutrition and preventable diseases than due to armed conflict. Internal security in the face of social and political instability, however, means that non-military institutions charged with law enforcement must also be helped to become more effective and more democratic.

3. Support for asserting effective civilian control over the military, as well as domestic gun control are additional internal initiatives that can be politically encouraged and concretely supported through technical assistance programs.

E. Pressures through the setting international standards/norms

The setting of formal and informal international standards of behaviour are advocated as means of exerting pressures on individual states to conform to those standards.

1. One developing set of standards relates to transparency in military affairs. UN instruments for reporting military spending and arms imports and exports do not enjoy wide participation in the South and the international community has a responsibility to find effective ways for increasing participation and for requiring this minimal level of accountability to the international community. In addition to participation in such global instruments, encouragement to undertake regional transparency and confidence-building initiatives will help to advance the domestic debate and to increase domestic transparency.

2. Recipient countries are also urged to set targets for reduced military expenditures. Donor countries have set ODA targets (e.g. .7% of GNP), and some regard it as appropriate for recipient countries to set military spending targets (perhaps 1% of GNP). As one writer put it, countries in the South must acknowledge the key fact "that resources currently being spent on military affairs could be better spent on civilian endeavours. The point here is that this notion is one which must be cultivated within government and civil society and not appear to be imposed

from the multilateral institutions and the donor community." Of course, Northern donor countries have not set a high standard for meeting public targets (given the rather wide gulf between the ODA target and practice).

3. Southern states should also be encouraged to become parties to or ratify relevant international arms control and disarmament treaties and agreements.

4. Northern states interested in curbing military spending in the South obviously need to control and restrict their military exports and export promotion to the South. Northern military export policies must generally be developed to place recipient human security interests ahead of the interests of particular regimes anxious to acquire new military equipment and ahead of the commercial interests of Northern manufacturing firms anxious to sell as much equipment to as many customers as possible.

5. As one writer put it, Northern political behaviour and standards have an impact on the South. To that end, Northern governments have a primary responsibility to put thier own houses in order. "The promotion of economically, socially and environmentally sustainable patterns of development would first and foremost entail major changes in the patterns of production, distribution and consumption in countries of the North. By the same token the promotion of peace and democratic governance in the South would also entail the reduction of defence expenditures and certain foreign policies in the North."

F. Conditionality

Uvin and Biagiotti distinguish "political conditionality" from "economic conditionality." Political conditionality involves a "set of specific state behaviours...that are internationally upheld as conducive to development..." (see Note #7). These behavioural norms include respect for human rights, multiparty elections, and cuts to military spending and are encouraged through the conditionality instrument which threatens the withholding of development assistance. Such a set of state behaviours can be regarded as a "regime" once such norms have matured to the point that they are "sets of internationally dominant principals and norms around which expectations

converge and that define acceptable state behaviour for both recipient and donor countries." Uvin and Biagiotti regard political conditionality as a regime that "is not firmly established or consensual: In many ways, it is an emerging regime, emanating from a few rich countries and impregnated with their ideology, subject to much dissension and conflict."

In other words, even if there is a base upon which to build a regime of political conditionality in support of military spending reductions, it is less clear that there is a base in international norms for singling out developing countries for special pressures to reduce their military spending. Furthermore, as Uvin and Biagiotti point out, most plans in the North to link ODA to military spending reductions appeal exclusively to the economic impact of military spending in developing countries, with no attention to the impact on peace and security. They also make the interesting point that agencies like the IMF have traditionally claimed that they cannot address military spending issues inasmuch as these are political prerogatives within the purview of sovereign states, but when the issue comes to be redefined as an economic matter, then the IMF feels perfectly at ease in intervening and applying political pressures. Indeed, they go on to claim that generally the international community and major powers in particular, have until very recently encouraged high levels of military spending in developing countries and in the world generally.

The current formulation of political conditionality is most problematic inasmuch as the northern or industrialized states appear to want to impose conditions that apply to others but not to themselves. This pattern applies more generally to the promotion of democracy as well. When it is in the interests of the major powers to support dictatorial regimes, then they seem to feel free to do so, even by helping them to increase their military expenditures. When it is in the interests of major powers to intervene against dictatorial regimes in support of democracy, they may on occasion do that -- but always according to their interests rather than according to accepted international norms. To the extent that this approach prevails, political pressures on developing countries will be perceived as violations of sovereignty much more than as encouragements to meet international standards.

G. Conclusions

While the intent here is not to summarize the findings and perspectives that emerge from the attached papers, several of the main or recurring points are worth noting.

I. First, the papers are frank in their expression of serious doubts about the efficacy of direct conditionality. While the analyses and assessments vary, it is not overstating the point to report that a key view reflected in these papers is that among Southern NGOs or NGO communities, while strongly sharing or endorsing the dual policy objectives of enhancing the effectiveness of ODA and promoting reductions in military spending, there is significant skepticism concerning the likely effect of aid conditionality as a means of promoting constructive changes in security policy and practice in developing countries. It is pointed out that security policy and levels of military spending are the product of a wide range of local, national and regional conditions. External political and economic pressures that do not address these basic conditions will not be effective in producing either new security policies or in shifting the levels of resources devoted to military forces. Conditionality is also questioned on grounds that it may tend to involve external Governments too directly in what are essentially domestic political concerns and debates regarding the direction of security policy. It is also noted that it is very difficult to generalize about what might be regarded as appropriate levels of military spending or armed forces. Appropriateness inevitably depends on a range of local, national and regional circumstances and conditions.

II. Second, the papers emphasize that military spending reductions depend on changes in security conditions and approaches, and thus the discussions focus on ways of changing the political and security conditions that shape local, national and regional security needs and policies and that influence levels of military spending. The papers thus offer a rich survey of possible measures which can be roughly divided into four categories of attention:

1. *Democratization of the security debate*: Donor initiatives to link aid and military spending can provide important openings for NGOs in recipient countries to address security issues (long considered the preserve of elite groups within the state structure). And while many NGOs in

recipient countries are relatively new to addressing military/security issues, and thus not always well-equipped or prepared to make specific recommendations regarding security policy or appropriate levels of military spending, the donor community's steps to place the issue on the political agenda will help to promote public debate and the pursuit of alternative, human-centred, approaches to security.

2. *Peaceful resolution of conflict*: Current security policies and levels of military spending are obviously linked to conditions of conflict, but such conflicts are prone to escalate to violence due in no small part to the paucity of alternative means of pursuing the resolution of conflict. Hence, the promotion of peace dialogues in existing armed conflicts, or threatened armed conflicts, must become a priority. Some ODA could be constructively channelled in support of such initiatives and away from explicit support for military measures.

3. *Effective development strategies*: Any move toward conditionality or other measures to promote reductions in military expenditures must proceed from the objective of making development assistance and capital investment more effective and people friendly. While some, of course, fear that efforts to link aid to military spending cuts are actually a cover to cut aid, but the papers express support for measures that focus on making aid more effective, and donor efforts to encourage reductions in military spending in aid recipient countries must be seen as just one means toward that end.

4. *Carrots over sticks*: The use of "sticks" to press for reductions in military spending may have a place, but there is clear agreement that "carrots" will be much more effective. As Prof. Cawthra put it, "'Carrots' in the form of funding and technical assistance to facilitate demobilization, enhance civil-military relations, support institution building for the management of common security, promote arms control and disarmament and enhance transparency and accountability in the security field are essential to ensure sustainable demilitarization which is rooted in a renaissance of civil society."

Issues Related to the Linking of Development Assistance to the Promotion of Reductions in Military Spending in Southern Africa: A Non-Governmental Perspective

Gavin Cawthra[1]

A. NGOs in Southern Africa

Some distinctions with regard to NGOs have to be made at the outset. There are several thousand NGOs in South Africa but far fewer in other Southern African countries (Southern Africa is defined as states which are members of the Southern African Development Community [SADC]).[2] Most of these NGOs are non-political and non-developmental in nature–a fact often overlooked. For example, some of the largest NGOs in South Africa are concerned with the welfare of animals or are essentially business or social clubs taken up with their own social and charitable activities (Rotarians, Lions, etc.). Many of the NGOs in other Southern African states would also declare themselves to be 'non-political' in the sense that they have limited welfare briefs or are regarded as semi-state structures.

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[1]This report constitutes the analysis of the author, who has been involved in defence and security debates and NGO activities in South and Southern Africa for over 15 years. It is a personal view. Although informed by discussions with several NGOs on this question, it considers the issues involved rather than the views of NGOs.

In part, this is because most indigenous Southern African NGOs do not have a formed view on this matter–telephone calls to the responsible officials at a number of NGOs indicated that most had not considered it. Nevertheless, the broad framework within which NGOs might consider this issue is examined.

This report does not examine the views of international NGOs which might be operating in Southern Africa–any research into their views would be better done at their headquarters.

The report is structured into four parts:

A. A framework for understanding the position of NGOs in Southern Africa;

B. The issue of defining military spending and excessive military spending;

C. Measures which can be taken to reduce demand for military equipment and arms imports; here the viability and implications of some actions being contemplated by donor countries are considered;

D. Conclusion.

[2]These states are Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

It is highly unlikely that any of these NGOs–which constitute by far the majority of organizations outside of government, political parties or trade unions–would be prepared to express any independent views on the issue of development assistance and military spending.

Anti-apartheid NGOs

In South Africa, however, there is a distinct NGO tradition arising from the struggle against apartheid. During the era when the liberation movement was banned, NGOs became the principal way in which communities and interest groups opposed to apartheid organized themselves. In alliance with some churches and the trade unions, they became a powerful anti-government force.

The advent of democracy has left many of these politically oriented NGOs adrift: some have had difficulty in deciding whether they are in opposition to or an adjunct of government, many have seen their constituencies eroded and most have faced funding crises as donors have redirected resources towards the new government. They also have had to deal with a haemorrhage of leadership as many senior officials have left to join government at the local, provincial or national levels.

Many NGOs, particularly those of an overtly political nature, have folded. Of those in the anti-apartheid tradition which remain, the majority are development oriented and/or community based (usually referred to as Community Based Organizations–CBOs).

While the author could find no evidence that any of these NGOs or CBOs have expressed views on the topic under discussion, most would broadly be in favour of the South African state reallocating resources from defence to development (particularly the Reconstruction and Development Programme [RDP]). This view is confirmed by one of the main NGO-funding co-ordinating agencies, Interfund.[3]

Given the democratic and consultative way in which most of these NGOs work, a long process would be entailed in bringing them to reach a consensus statement on the issue of

[3]Interview with Gerald Kraak, Interfund.

defence spending and some would consider it outside their domain.

Defence and Security NGOs

There are a small number of NGOs in South Africa (although not in the rest of Southern Africa) that concern themselves specifically with defence issues. These have clearer views and can be divided in two groups: those campaigning against what they perceive to be an ongoing militarism inherited from apartheid and now adopted with modifications by the ANC, and those which seek to facilitate in a less normative way the evolution of civil-military relations in South and Southern Africa. The latter are generally of an applied academic orientation and associated with various universities.

Of the campaigning groups, Ceasefire (an evolution of the End Conscription Campaign) is the most prominent, and draws some support from traditionally pacifist religious groupings as well as the Anglican and Methodist Churches. Ceasefire welcomes any pressure to reduce military expenditure and has campaigned against major weapons acquisitions.

The Gun-Free South Africa Campaign, also supported by some churches, is concerned mainly with 'micro-disarmament' (see below). The Group for Environmental Monitoring (Gem) also campaigns for demilitarization and disarmament, with a focus on conversion in its broadest sense (and in particular issues of converting the defence industry to civil production and of restoring military land to dispossessed communities).

Other NGOs dealing with defence and security issues play a more facilitative role and have less assertive positions on defence expenditure. These are:

- Centre for Conflict Resolution, based in Cape Town and attached to the University of Cape Town. This group has a project specifically concerned with monitoring defence expenditure and arms transfers to and from South Africa.
- The Defence and Security Programme of the Institute for Democracy in South Africa (DASA), based in Johannesburg.
- Institute for Defence Policy, in Midrand, the most active of the defence NGOs, which

works closely with the defence establishment.

- Defence Management Programme, University of the Witwatersrand, concerned mainly with training and educating senior officers and defence officials from SADC states.
- Institute for Strategic Studies, University of Pretoria.

Religious Groups

Some of the major Southern African churches have come out unequivocally in support of military cuts and have opposed purchases of new weapons systems. The Anglican church in South Africa, for example, has declared itself a 'peace church' and Bishop Tutu has spoken out against the proposed purchase of naval corvettes.[4] In Zimbabwe, the Council of Churches held a national seminar in April, where it called for further reductions in defence expenditure.[5]

B. How Should Military Spending and Excessive Military Spending be Defined?

It is notoriously difficult to quantify total military spending as expenditure because expenditure is often hidden in other government departments. For example, military bases may be constructed through departments of public works or similarly, military transport may be arranged by departments of transport; military pensions, training and education costs may be accommodated in other government line items. The picture is even more complex if the defence industry is taken into account–government subsidies including R&D, export facilitation, tax exemptions, etc. are seldom factored in.[6]

Many of these factors have relevance for developing countries. In addition, it is not unusual for paramilitary forces, such as presidential guards or elite counter-insurgency units, to be funded from police, law-and-order, intelligence, presidential or other budgets, although these

[4]Information provided by Terry Crawford-Brown, Archbishop Tutu's Representative.

[5]Interview with SAPEM staff, May 1996.

[6]See R. Smith, A. Humm and J. Fontanel, "The Economics of Exporting Arms," *Journal of Peace Research*, 22 (3), 1985.

units carry out tasks that are essentially military in nature. It is common in developing countries for the police to carry out counterinsurgency and other internal security tasks of a paramilitary nature; and it is not unusual for the military to be involved in policing operations and border control.

In South Africa under apartheid, considerable military expenditure (perhaps an additional 15 per cent) was taken up through government departments other than defence.[7] This remains the case, although no accurate estimates are available. Moreover, while there has been a 50 per cent cut in defence expenditure since 1989, much of the money saved has been transferred to the Safety and Security (policing) budget, which is now rapidly approaching the size of the defence budget, and there have also been increases in the intelligence allocation. In 1994/5, the police budget had grown to 80 per cent of the size of the defence budget–ten years previously it had been a quarter the size (the 1994/5 defence budget stood at R10.5 billion and the Safety and Security budget at R8.5 billion).[8] Moreover, the number of permanent personnel in the policy service now exceeds that in the defence force (over 120,000) if part-time volunteers and reserves are not taken into account.

South Africa's recent history demonstrates clearly the overlap between policing and defence which is also a feature, to a greater or lesser extent, in other Southern African countries. The South African Police were extensively deployed in counterinsurgency duties in the Rhodesian and Namibian Liberation struggles, and in South Africa itself were used both for rural and urban counterinsurgency operations; until 1990, all police underwent counterinsurgency training as a matter of routine, while specialized units such as the Internal Stability Units (formerly Riot Squads) were essentially paramilitary in nature. On the other hand, the South African Defence Force was drawn into internal conflicts and used in policing tasks. This was not a phenomenon new to the revolutionary struggles of the 1980s: the defence force's involvement

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[7]G. Cawthra, *Brutal Force: The Apartheid War Machine* (London: International Defence and Aid Fund), 1986, p. 259.

[8]*Annual Estimates*, 1985/86.

in internal security goes back to the 1920s, was prominent in the 1940s and was also noticeable after the 1960 Sharpeville crisis. After 1996 it became routine.

Efforts have been made since 1990 to demilitarize the police (symbolized by the change of name from 'force' to 'service') but specialized public order units of a paramilitary nature remain and the service continues to be heavily armed. There is no sign of any significant reduction in the use of troop deployments for internal security tasks; typically, around 5,000 soldiers remain deployed in such tasks, and their numbers increase at times of crisis or during elections.[9]

This highlights one of the difficulties of linking aid to defence expenditure: in most development countries–especially in Africa–internal, socially and economically driven conflicts are more important than external ones. States may use either or both the defence or the police forces to counter these threats to the existing order (whether it is democratic or not). As the South African experience has shown, in a democratizing environment resources may be shifted from defence to policing or intelligence without any significant 'peace dividend'. Donor countries might better consider linking aid to the overall security budget (defence, policing, law and order and items from presidential expenditure) than to the defence budget per se.

In this context, it is difficult to decide what constitutes excessive military expenditure (or bearing in mind the above argument) excessive security expenditure. The target of 2 per cent of GDP on defence promoted by the IFIs is becoming increasingly accepted as a benchmark, although as noted above, if this is defined narrowly, countries might simply shift defence spending to other government departments.

In South Africa defence spending (measured most narrowly by the allocation to the department of defence) has declined from around 5 per cent of GDP to just over 2 per cent and within a few years, if current trends continue, will drop to below 2 per cent. This target would be achievable for most countries in Southern Africa in the medium term (some are already spending less than 2 per cent on defence). Nevertheless, some difficulties should be noted:

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[9]South African National Defence Force, *SANDF Yearbook 1995.*

- **Civil conflicts** inevitably lead to high expenditures on defence. While Mozambique has very rapidly demilitarized, Angola continues to reflect one of the world's highest rates of military expenditure–and the official figures themselves do not include all, or even most, military expenditure incurred by UNITA or the Government. Angola's defence budget has shown huge fluctuations over recent years: it is clear, however, that a sustained downturn will depend on firm peace and demobilization and that a target of 2 per cent of GDP for defence expenditure will be extremely difficult to achieve (given the estimated figure of 35.5 per cent in 1991).[10] Angola's future after UNAVEM III remains very tenuous; a resurgence of war and civil conflict will undoubtedly lead to additional insecurity in Southern Africa as a whole.

- **Asymmetry**: The overwhelming military and economic domination of South Africa causes a number of problems for the harmonization of defence expenditures at a low level; whatever South AFRICA's declared intentions, its capabilities remain overwhelming. Some of the implications of this are discussed later in this paper. It should also be noted that tiny, poor countries such as Lesotho may have to spend more than 2 per cent of GDP on defence simply to maintain a minimum viable defence or internal security capability.

- **Growth**: It may be easier to peg military expenditure than to reduce it–in a situation of rising GDP this will lead to an inevitable reduction in military spending as a proportion of state spending. On the other hand, reducing military expenditure may be more difficult under precisely those conditions where it is more needed: in times of negative or zero growth.

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[10]See G. Mills, "South Africa and Africa: Regional Integration and Security Co-operation," *African Security Review*, 4 (2), 1995, p. 13.

- **Domestic political factors**: There is little doubt that in developing countries domestic political factors are one of the main reasons for increases in defence expenditure. These factors are difficult to predict and may change rapidly, upsetting long-term plans. Some of these issues are discussed below.

C. Reducing Military Demand

Rising military expenditures in Southern Africa, a feature of the 1960-1990 period, can be ascribed principally to the conflict over apartheid and its off spins which were fed by Cold War competition in the region. An additional factor, although difficult to separate out from the others, was the perceived need of governments to shore up their domestic political power bases by strengthening their military resources. After the mid-1970s, with the collapse of Portuguese colonialism, the increasing intensity of armed liberation struggles and the civil wars in Angola and Mozambique, Southern Africa saw rapid militarization which affected all the countries of the region to some extent, but was particularly marked in Mozambique, the then-Rhodesia, Namibia, Angola and South Africa.

Since 1990 there has been dramatic, although uneven, demilitarization. Settlement of the conflict in Mozambique has led to military demobilization on both sides and a radical downscaling of defence expenditure. Angola, however, remains highly militarized, and progress in the demobilization of the two parties to the conflict remains slow and uncertain. In South Africa defence spending has been cut by 50 per cent since 1989, and the abolition of conscription has substantially reduced the size of the defence force. It is difficult to give accurate figures since it is never clear how many men are potentially mobilizable in the part-time force, but while at the end of the 1980s approximately 500,000 part-timers could potentially have been mobilized, it is doubtful if more than 100,000 reservists would now respond to call-ups. The fulltime force has been increased to approximately 120,000 (from 90,000) as a result of the integration of bantustan and liberation forces, but this is set to be reduced to between 70,000 and 90,000 in the next three

to five years.[11]

The end of apartheid and the settlement of most intrastate conflicts in the region (with the possible exception of Angola) thus has led to a substantial reduction in demand for military equipment and expenditure for personnel and operating costs. There is an acceptance in all the countries of the region that there is no foreseeable conventional military threat in the short to medium term; threats are rather perceived as lying in social and economic challenges. While there are a number of border disputes in the region (Lesotho and Swaziland, for example, lay claim to parts of South Africa), these are of a relatively minor nature and the countries of Southern Africa are increasingly interdependent and are drawn together politically and economically through the Southern African Development Community (SADC). There is thus little prospect that military demand will be driven by the threat of interstate conflict, although South Africa's overwhelming strength undoubtedly remains a source of concern to some countries even if this is not expressed.

Demand for armaments and increased military expenditure is more likely to arise from domestic political factors, in particular those related to perceived secessionist threats or to the political status and role of the armed forces. For example, the purchase by Botswana of 50 Leopard tanks, justified by the commander of the Botswana Defence Force, Ian Khama, on the grounds that they might be needed by peacekeeping, was ascribed by South African analysts as the result of the BDF commander's quest for domestic political status and influence.[12] Similarly, it is argued by many commentators that increases in Zimbabwe's defence budget in the early 1990s were a result of the political power and influence of the military rather than any perceived threat.

While demand for military equipment and resources is clearly declining in Southern Africa as a result of increasing stability and the resolution of the main intrastate conflicts, there

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[11]Information provided by Tsepe Motumi, Director, Human Resources, Defence Secretariat.

[12]Jakkie Cilliers of the Institute for Defence Policy, cited in *Weekly Mail*, 3.5.96.

are a number of steps which might be taken to enhance the demilitarization process. I will examine what I consider to be the most important or potentially effective measures.

Promoting democratization and good government

Given the importance of domestic factors in the Southern African security environment, this is clearly a priority. Many of the countries are emerging from periods of conflict in which the armed forces played an inordinately important role in decision-making, government was characterized by secrecy, and security concerns predominated over those of development.

SADC has adopted an integrated approach to security and development, modelled in part on the OSCE process, in which security is seen as resting on good government, respect for human rights, economic and social development, confidence and security-building measures and the peaceful settlement of disputes through negotiation, mediation and conflict resolution.[13] This vision of common security will not be realized without transparency and democratic accountability in relation to defence in each of the SADC states.

A vital aspect of encouraging democratization and good government is thus the improvement of civil-military relations and the democratic management of defence in each of the SADC states. In South Africa, considerable progress has been made in this regard with the establishment of powerful parliamentary committees on defence and security which operate as far as possible in a transparent way, and of a Secretariat for Defence which is largely responsible for the implementation of policy. The Ministry of Defence in Zimbabwe, now a joint civil-military institution modelled on the British MOD, has also been enhanced and now functions in a more accountable and transparent way.

The Defence Management Programme at the School of Public and Development Management, Wits University, has initiated a SADC-sponsored program (funded by the Danish

[13]See, for example, the statement on "The SADC Organ on Politics, Defence and Security," Meeting of the SADC Ministers Responsible for Foreign Affairs, Defence and SADC Affairs, Gaborone, 18 January 1996.

Government) to enhance this process by educating civilian and military defence officials in the management of defence. Other initiatives include regional workshops and proposals to bring together the parliamentary defence committees of all the SADC states to explore ways in which their roles both domestically and on an interstate level might be enhanced.

Supporting Demobilization and Reintegration of Military Personnel

This has of necessity been a feature of change in several Southern African countries in the past 15 years, most recently in Angola and South Africa. There are many lessons to be learned from the experiences in Zimbabwe, Namibia and Mozambique (as well as elsewhere in Africa, especially the Horn and Uganda). Demobilization in each of these countries was achieved with varying degrees of effectiveness: while the process was generally smoother than might have been anticipated, the end results in terms of reintegration into civil society (productive employment) often fell short of expectations.

The process of demobilization in South Africa is especially complex and has features which differ from those of all other Southern African countries, where the principal challenge was to relocate soldiers on the land in a productive way. A Service Corps has been established with funding from the Government of the Republic of China (Taiwan) but this is aimed at meeting the needs of unskilled or semi-skilled soldiers; the rationalization of thousands of senior officers and NCOs from the SANDF in the next three years will pose new challenges. Experience has shown that it is crucial that there is a long-term commitment to reintegration and reskilling.

Demobilization and rationalization programs are a reality; they are occurring anyway and do not have to become a condition for development assistance. Instead, they provide a remarkable opportunity for successful demilitarization, provided the defence forces and civil society can seek a common interest in utilizing the skills of former soldiers, in particular officers. Donors could play an important role here in promoting a common interest through funding

innovative programs to reskill and resettle soldiers.[14]

Issues Related to the Transparency, Availability and Comparability of Data on Military Expenditure and Arms Trading

International experience has confirmed the importance of the availability of accurate and comparable data in processes of military and political confidence and security building. In Southern Africa, the overwhelming hegemony of South Africa inevitably places the emphasis on unilateral initiatives by that country although there is also scope for multilateral measures.

South Africa has agreed to report to the UN Register of Conventional Arms, although in its first year of reporting, in 1995, it failed to provide full details. As of March 1995, only Malawi, Lesotho, Mauritius and Namibia had provided returns to the UN Register, in all cases simply in the form of a *note verbale* and not data.[15] Full reporting to the UN Register by all the countries of the region would provide a firm basis for transparency of data; comparability, however, will remain difficult. The statistics in the *Military Balance* are questionable and do not reflect on the serviceability of equipment. For example, most of the military aircraft held by Angola and Mozambique cannot be flown.

Some NGOs in South Africa (the Centre for Conflict Resolution, for example) have promoted the idea of expanding the UN Register on a regional basis to cover transfers of other categories of weapons (notably light weapons) and also to establish a regional 'all arms' register. Given the failure of states to report to the UN Register, and the complexities of administering such a scheme, it seems unlikely that this is viable in the near future. Nevertheless, the question

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[14]For example, the Ford Foundation has funded a Conference on Defence Rationalisation and Human Resource Development, hosted by the Graduate School of public and Development Management, University of the Witwatersrand. This will explore ways of reskilling South African National Defence Force officers and NCOs facing rationalization. The Institute for Defence Policy has also put forward proposals for the involvement of civil society institutions in demobilization.

[15]*Sipri Yearbook 1995* (Oxford: Oxford University Press), 1995, pp. 558-59.

of data availability should be pursued, especially through SADC. Donor countries may be able to assist this process on a project basis or by providing technical support.

Controlling the Arms Trade

South Africa is ahead of the other countries in the region in its accession to international control and monitoring agreements and regimes; this is entirely appropriate as South Africa is the principal producer and trader of arms in the region. The Republic has now acceded to (or is in the process of ratifying) most of the relevant international multilateral arms control agreements, including the NPT, the Chemical Weapons Convention, the Biological Weapons Convention, the Certain Conventional Weapons Treaty and the Missile Technology Control Regime. South Africa is also, since 1994, a member of the Nuclear Suppliers Group and played a leading role in the negotiations over the NPT review and the review of the CCW treaty.

The picture is not as good for other Southern African states, although in many cases the agreements would have little application–none of the other Southern African states, for example, is remotely likely to become a nuclear proliferator. However, with the exception of Angola, all have signed the NPT and several have ratified the Biological Weapons Convention, although none has ratified the CCW Treaty.[16]

South Africa is the only significant arms exporter in the region, accounting for 0.4 per cent of the international arms trade. Exports amounted to R854 million in 1994/5, mostly to the Middle East but also to other parts of the world. The South African defence industry declined rapidly after 1989 as a result of the collapse of its domestic market, and it has responded by diversifying and by seeking to increase exports. According to the South African Defence Industries Association (SADIA), the industry projects defence exports of R2,892 million by 1997–that is, a tripling over four years.[17]

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[16]*Sipri Yearbook 1995.*

[17]South African Defence Industries Association, "Defence Industry Overview–Today and in the Future," Conference on theSouth AFrican Defence Industry in the Future, Midrand, 26-28

This clearly raises concerns internationally over the prospect of South Africa's becoming a source of arms proliferation, especially in the developing world, for which most of its weapons systems are particularly appropriate. However, the Government has adopted a policy of constraint in line with its overall foreign policy framework, and has established a cabinet-level National Conventional Arms Control Committee which has to approve each proposed sale. It has so far adopted a restrictive policy (for example, turning down a major deal with Turkey on the grounds of that country's human rights record), but it should be noted that the Committee takes each proposal on a case-by-case basis, potentially opening the way for a less restrictive approach.

'Micro Disarmament'

Many NGOs in the region have drawn attention to the importance of the trade in light weapons, which are highly destabilizing and in part responsible for an escalation in crime and banditry. While there are no statistics on the size of the trade, it is believed to be significant. The principal flow is currently from Mozambique to South Africa, and to a lesser extent from Angola to South Africa.[18] In Mozambique inadequacies in the UN demobilization process left vast numbers of weapons in the hands of former combatants; many of these have been sold to smugglers who take them into South Africa where they are fuelling domestic crime and political conflict, especially in KwaZulu-Natal.

The proliferation of small arms in South Africa is, however, not merely a result of cross-border smuggling. The domestic arms industry produces a variety of light weapons, ranging from handguns to automatic weapons, many of which are sold to the public and which subsequently fall into criminal hands (there are over three million licensed firearms in the country). The church-linked NGO Gun-Free South Africa has campaigned for tighter gun-control laws and, while it has rejected a buy-back scheme as too expensive and problematic, it launched a (largely

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March 1996.

[18] *Daily News*, 16.4.96.

unsuccessful) effort in 1995 to persuade gun-owners to hand in both legal and illegal weapons to police stations.[19]

It should be borne in mind that it is extremely difficult in Southern Africa to distinguish between politically and criminally motivated violence; the two are closely interlinked as violent political groupings and warlords seek to enrich themselves or fund their operations through crime. In some South African townships, revolutionary groupings have degenerated into criminal gangs since the end of apartheid.

Funding support for micro-disarmament strategies, currently pursued by small NGOs with few financial resources, would no doubt eventually contribute to reducing internal security threats and crime. Technical and other assistance to enhance border security is also a priority.

Security Dialogues with Regional and Sub-regional Organizations

In Southern Africa, the best prospects for the development of a common security regime lie with SADC, which has considerable credibility despite its institutional weaknesses. Protracted debate has taken place on this issue over the last few years, in the course of which a new organization, the Association of Southern African States (ASAS) was mooted but now appears to have been abandoned. In January 1996 the SADC ministers proposed that an Organ on Politics, Defence and Security be established. This confirmed a framework set out initially at the Windhoek ministerial workshop in July 1994, and entailed an ambitious program including:

- The evolution of "common political value systems and institutions";
- The development of a common foreign policy;
- Co-operation in conflict prevention, management and resolution;
- Promotion of peacemaking and peacekeeping and co-ordination of member states' participation in regional and international peacekeeping operations;
- Development of a "collective security capacity" and conclusion of a "Mutual Defence Pact for responding to external threats";

[19]Information provided by Adele Kirsten, CFSA.

- Monitoring of UN and OAU conventions and treaties on arms control, disarmament and peaceful relations between states.[20]

It is expected that most of these proposals will be endorsed by the Heads of State and Government of the SADC-member countries in the course of 1996 (although the proposal for a collective defence and mutual security pact may be opposed by South Africa). The SADC organ will function independently of other SADC structures, will probably absorb the existing Inter-State Defence and Security Committee (ISDSC) and will function at both the ministerial and head-of-state levels.

However, it is clear that the SADC proposals are extremely ambitious and that at present SADC lacks the institutional capacity to develop them. It is also unclear exactly how the SADC structures will relate to the OAU and the UN, although SADC increasingly sees itself not merely as a development co-ordination institution but also as a sub-regional political structure falling under the OAU. There is evidently considerable scope for international co-operation in the building of common security institutions in Southern Africa.

D. Conclusion

This paper has identified a number of ways in which development assistance might be used to contribute to the processes of reducing military spending. In the author's view these 'carrots,' in the form of funding and technical assistance to facilitate demobilization, enhance civil-military relations, support institution building for the management of common security, promote arms control and disarmament and enhance transparency and accountability in the security field are essential to ensure sustainable demilitarization which is rooted in a renaissance of civil society.

Measures such as these may well be combined with 'sticks' such as linking aid to reductions in defence budgets. However, this alone would be a crude measure with a limited

[20]"The SADC Organ on Politics, Defence and Security," Meeting of SADC Ministers Responsible for Foreign AFfairs, Defence and SADC Affairs, Gaborone, 18 January 1996.

utility, as security in Southern Africa is largely a domestically driven issue and the roles of defence forces, police services and other state security agencies are not often as clearly delineated as they are in the developed world.

Implications of Linking Development Assistance with Military Expenditure in South Asia
Ghayur Alam

Conflicts in South Asia

South Asia[1] has had a history of violent conflicts since the end of British rule during the late 1940s. The most damaging conflict in the region is between India and Pakistan. As these countries account for most of the military expenditure in the region, this paper is largely confined to the conflict between India and Pakistan. However, China has an important bearing on the defence policies of South Asian countries (especially those of India). This has been taken into account in the paper.

The conflict between India and Pakistan has its genesis in the creation of the two countries. The partition of British India on religious grounds (Hindu-Muslim) in 1947 to create the independent states of India and Pakistan was accompanied by massive sectarian violence. Scores of thousands belonging to both religious groups lost their lives, and millions were made refugees. The tragedy of partition, which has left deep scars in both communities, was followed soon by a short war over Kashmir, which was claimed by both India and Pakistan. Since then India and Pakistan have fought two bitter wars, in 1965 and 1971. Pakistan was especially hurt by the 1971 war as it lost its eastern wing, which became Bangladesh. In spite of occasional moves towards reconciliation, hostilities have continued.

The most serious dispute between India and Pakistan concerns Kashmir (see **Appendix**). The other sources of tension between India and Pakistan include their nuclear weapons programs and the treatment of minorities. India's alleged role in the ethnic conflict in Pakistan (particularly in Karachi) has also added to the tension.

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[1]South Asia is dominated by India. In terms of area, population and economic strength, India is by far the largest country in the region. The other countries included in the region are: Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives. China, which shares borders with many of these countries, is an important player in the region. Burma also has common border with countries in the region.

India's relations with China are also strained. After a brief period of friendly relations during the 1950s, the two sides became involved in a bitter border dispute which led to active hostilities in 1962. Although tension has declined in recent years, the border dispute is yet to be resolved. More importantly, India continues to see China as a major threat to its interests in the region.

The third important conflict with implications for defence expenditure in the region is the conflict between Tamil insurgents and the Sri Lankan government. Recent events suggest that the conflict is likely to escalate.

Military Expenditure in South Asia

With the end of the cold war, global defence expenditure (both in absolute terms and as a percentage of GDP) began to decline in the late 1980s. It declined from US$1,260 billion in 1987 to US$868.4 billion in 1993. As a percentage of GDP, it declined from 5.22 during 1983-93 to 3.3% in 1993.[2]

However, contrary to the global trend, defence expenditure in South Asia has continued to increase during the 1990s. For example, while world defence expenditure declined by 7.2% during 1988-93, in the case of south Asia it increased by 2.9%.[3]

India and Pakistan account for most of the defence expenditure in the region; they were responsible for more than 80% of the military expenditure in the region in 1993. While India spent US$8,471 million (about 60% of the total in south Asia) in 1993, Pakistan spent US$3,111 million (about 22% of the total) during the same year. Compared to this, China spent US$56,170 million on defence in 1993. Defence expenditures by country in the region are given in **Table 1.**

In terms of defence expenditure as a percentage of GDP, Pakistan ranks highest among the countries in the region; it spent about 6.4% of its GDP on defence in 1993. Pakistan is

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[2]Singh Jasjit, "Trends in Defence Expenditure," *Asian Strategic Review*, Institute for Defence Studies and Analysis, New Delhi, 1994-95.

[3]Singh Jasjit.

followed by Sri Lanka, with defence expenditure equal to 4.8% of GDP. India spends slightly less than 3% of its GDP on defence.

It must, however, be pointed out that India's defence expenditure, both in real terms (after taking inflation into account) and as a percentage of GDP, has declined during the 1990s. It declined by an average annual rate of 2.04% in constant 1980-81 rupees during the period between 1986-87 and 1993-94.[4] The recent defence budget follows this trend. India's defence budget allocation of Rs.277,980 billion for 1996-97 is an increase of Rs.9,190 billion over the revised estimates of last year. However, when inflation is taken into account, the budgeted defence expenditure is, in effect, a decline over the last year.

Similarly, as a percentage of GDP, India's defence expenditure declined from 3.1% to 2.8% during the last five years[5] (see **Table 2**).

The Need to Reduce Defence Expenditure

The countries in the South Asian region are desperately poor; nearly half of world's poor people live in the region. According to some estimates, about 280 million people in the region lack access to safe drinking water and 300 million do not have enough to eat. Some 800 million people have no basic sanitation. Infant mortality, though declining, is still very high (see **Table 3**). The adult literacy rate is lower than any other region; the region has 380 million illiterate people. Not surprisingly, all the countries in the region figure very low in terms of development indicators (see **Table 4**).

In spite of the extreme poverty, the governments in these countries spend a significant proportion of their revenue on defence. With the exception of Nepal, the ratio between military expenditure and central government expenditure is high in all the countries in the region. It is particularly high in the case of India, Pakistan and China (see **Table 5**).

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[4]Singh Jasjit, "Affordable Credible Defence of India," *Strategic Analysis*, February 1994, pp. 1,379-1,409.

[5]*Hindustan Times*, New Delhi, July 24, 1996.

It is obvious that the allocation of such a high proportion of government expenditure to defence limits the resources available for welfare activities. A reduction in the military expenditure in the region is clearly desirable. The rest of the paper examines this possibility.

Strategic Environment and Defence Expenditure in south Asia

The strategic environment in south Asia (especially relating to India and Pakistan) and its implications for military expenditure in the region are discussed in the following paragraphs.

Indo-Pak relations are going through one of their worst periods. While the threat of conventional war between the two countries has receded in recent years, the mutual hostility has not. In fact, the situation has been worsening throughout the 1990s. As in the past, Kashmir is he major area of conflict between the two countries. As far as India is concerned, Pakistan's support to Kashmiri separatists is the main obstacle to improvement in relations between the two countries. The Kashmir conflict is unlikely to be resolved in the near future. Although the political parties constituting the new government in India have a comparatively open mind on the question of relations with neighbours (the foreign Minister Mr. Gujral, in particular, is known for his conciliatory views), the government's ability to introduce major changes in defence and foreign policies is limited. In addition to Pakistan, India considers China to be an important factor in its defence strategy. Although India's relations with China have improved in recent years, the border dispute is yet to be resolved. Also, India is concerned about the friendly relations between China and Pakistan. It is especially worried about China's support to Pakistan in the field of nuclear and missile technologies. In fact, China's nuclear weapons, and its support to Pakistan in the development of nuclear weapons, are being increasingly cited by Indian analysts as a reason for maintaining the nuclear option.[6]

Public opinion in India (as in Pakistan) is in favour of strong defence. No political party, therefore, is prepared to take the risk of reducing the military expenditure significantly. With the

[6] Subrahmanian, K., "Nuclear Realities:Coming to Terms", Economic Times, New Delhi, May 12, 1993 and India, Government of , "Annual Report", various, New Delhi.

emergence of the Bhartiya Janta Party (which takes an extremely anti Pakistan position) as a serious contender for power in India, the Indian government will find it very difficult to reduce defence expenditure significantly. In fact, there is a growing demand for a large increase in military expenditure. Influential defence analysts are demanding an increase in the defence budget. They have warned that unless the defence budget is increased considerably, the armed forces will be unable to perform in a conflict. It is argued that if India wants to maintain the same defence capability it had in the 1980s, it will need to spend up to 5-6% of its GDP on defence.[7] The Bhartiya Janta Party has also criticized the current defence budget as too small.[8]

Governments have resisted this pressure until now. For example, in 1995 the Ministry of Defence had asked for Rs. 29,0000 million but was given only Rs. 25,0000 million.[9] However, as support for a strong defence has become increasingly vocal, this situation is almost certain to change; further cuts in defence are unlikely.

In the case of Pakistan, its determination to maintain some degree of parity with India implies that its military expenditure is also unlikely to come down. Also, Pakistan's policy of sup- porting anti-Indian activities in Kashmir also suggests that it is prepared to maintain strong defence capabilities. In addition to maintaining conventional defence capabilities, there is a possibility that both India and Pakistan will expand their nuclear and missile programmes. The fact that China is a nuclear power and that Pakistan is reported to be developing nuclear weapons have been fully used by the Indian government and the media to build opinion in favour of India retaining its nuclear options. Similarly, the 1974 nuclear explosion by India has been used by Pakistan to build public opinion in favour of its nuclear programme. Currently, a strong pro-nuclear opinion exists in both countries. India's refusal to sign the CTBT in its present form, for example, has been supported by most political parties. Similarly, Pakistan's refusal to sign the

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[7]Singh Jasjit, " Defence Budget: Not a Notional Increase", Indian Express, New Delhi, July 22, 1996.

[8]Times of India, New Delhi, July 23, 1996

[9]Sunday, Calcutta???April 30-May 6, 1995

treaty, unless India does the same, has popular support in that country.

When the new government was installed in India earlier this year, interest was shown by both countries in starting negotiations to normalize relations. However, the initial enthusiasm has not been followed up by concrete measures.[10] In fact, both sides are now saying that negotiations are unlikely to be held in the near future. The Indian observers I have talked to say that normalization of relations with Pakistan in the near future is unlikely. This pessimistic view was confirmed recently by the chief of the Indian army, General Roy Chowdhury, who said that relations between the two countries are unlikely to improve unless something drastic happens.[11]

While the governments in both countries pay lip service to the need to normalize relations, neither takes a realistic view of the situation. The fact that a long term solution acceptable to both countries would necessitate some degree of compromise is completely ignored by both sides.[12]

To conclude, the south Asia region has seen an increase in tension during the 1990s. There is a growing support for strong defence, especially in India and Pakistan. In view of this, a significant reduction in military expenditure in the region is unlikely.

Linking Aid to Military Expenditure

Can development aid be used to put pressure on the countries in the region to reduce their military expenditure? A number of factors restrict the effectiveness of development aid as an instrument of pressure.

Broadly speaking, there are two types of development aid; bilateral and multilateral.

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[10]The only exception is India's announcement to liberalize the issue of Indian visas to Pakistani nationals. At present both countries limit the issue of visas. Times of India, New Delhi, July 2, 1996.

[11]Times of India, New Delhi, August 4, 1996.

[12]The situation is different in the case of the dispute between India and China. Not constrained by emotions, both sides are more pragmatic in their dealings with each other.

Globally, bilateral development aid has been declining in recent years and, as a percentage of donors' GDP, it was the lowest in 20 years in 1994-95.[13] The importance of bilateral aid is particularly small for some of the south Asian countries, as it accounts for a small proportion of their GDP. This is specially true for India and Pakistan. It accounts for only 0.8% and 2.5% of their GDP respectively. Furthermore, as the figures in **Table 6** show, the importance of bilateral aid in the economy of these countries has declined in the 1990s. As bilateral aid is not very important for India and Pakistan (and China), the potential of using bilateral aid as a lever to influence defence expenditure is small.

In contrast with the decline in bilateral aid, the importance of multilateral aid from multilateral funding agencies such as the IMF and the World Bank, has increased in recent years. Both India and Pakistan are heavily indebted to the IMF and the World Bank, and these agencies have (at least in theory) strong leverage to influence their policies. In fact, both the countries have modified their economic policies to meet IMF conditions. There are also reports that these agencies are applying pressure to reduce defence expenditure.[14] Their influence on defence policies, however, is likely to be much smaller than on economic policies.

The IMF and the Work Bank could influence economic policies due to local support to their suggestions. As the shortcomings of a controlled economy (particularly in India) became increasingly obvious during the 1980s, the policy makers and the media were already receptive to the IMF-World Bank supported economic policies. In other words, the IMF-Bank policies found acceptance because an influential section of the society already favoured these policies. In the case of defence policies, however, the situation is very different. There is a general consensus in favour of strong defence in both India and Pakistan. Furthermore, defence is an extremely emotive issue and any hint of interference by an international agency is likely to generate a strong reaction. These factors limit the potential of multilateral aid as a lever to influence defence

[13]"World Debt Tables: External Finance for Developing Coun- tries, Volume I, A World Bank Book, 1996.

[14] Times of India, New Delhi, June 20, 1996.

spending in the region.

In addition to aid, developed countries have tried to use other pressures (diplomatic, sale of military equipment etc.) in the past to influence defence and related policies. The US, for example, has put pressure on both India and Pakistan to curb their nuclear and missile programmes. One of the most publicized instances of US pressure was when it imposed sanctions on technology transfer to the Indian and the Russian space agencies in retaliation against the supply of cryogenic engines by the Russians to India. In the case of Pakistan, pressure has been applied on Pakistan to abandon its nuclear weapon development programme through the Pressler Amendment. However, it is doubtful whether this pressure has achieved much. Both India and Pakistan continue to develop their nuclear and missile capabilities. The pressure has failed not only because the development of nuclear and missile capabilities is considered crucial by both countries for national defence; it has become almost synonymous with national honour in both the countries.

What Can NGOs and Aid Agencies Do?

1. Do not link aid to military expenditure.

If aid is used explicitly to influence the defence spending in the region, it is unlikely to bear results. In fact, there is a danger that, given the recent rise of religion based parties in the region (who take a comparative aggressive position on defence), this could be counter productive. A more effective approach will be to link aid with development related expenditure in these countries (and not with military expenditure). Linking aid to economic policies is likely to be accepted as legitimate. Linking aid to what are considered national security concerns will not be acceptable.

2. Lobby your governments not to take sides or supply arms.

In the past the super power rivalry played an important role in fueling the arms race in south Asia. With the end of the cold war, the external environment for peace in the region has

improved. However, the western countries, especially the US, still have strong influence in the region. Also, along with Russia, they are the major source of arms in the region. The NGOs in these countries can put pressure on their governments so that they, a) do not exploit regional conflicts to serve their strategic goals, b) do not export arms to the region.

3. Support local NGOs working towards creating public opinion in favour of better relations. Public opinion needs to be changed in favour of peaceful settlement of disputes. This is especially true in the case of India and Pakistan. Kashmir and other disputes are only symptoms; the main obstacle to long term peace between the two countries is mutual distrust. Pakistan is convinced that India would like to see it destroyed. This fear has increased since the 1971 war and the formation of Bangladesh. Although India is too big to worry about its destruction, it is also convinced that Pakistan would never miss an opportunity to inflict damage.

In the past considerable damage has been done by politicians, governments and the media by exaggerating external threats. The government policies are also aimed at restricting unofficial contacts (tourism, cultural etc.) and trade between the countries.[15] In the absence of government will and/or ability to take bold initiatives, NGOs can play an important role in building public opinion in favour of improvement in relations.

Fortunately, although public opinion is in favour of strong defence, there is also enormous support (especially in India and Pakistan) for an increase in trade and cultural exchange. The local NGOs can use this potential. The international aid agencies and NGOs in developed countries can support the efforts of the local NGOs.

[15]This is specially true for India and Pakistan. While there is a fair amount of trade of goods between the two countries through third countries such as UAE, direct trade between the two is almost non existent.

Appendix 1

The Conflict in Kashmir

Kashmir is a Muslim majority state which opted for India at the time of independence.[16] Unhappy with this, Pakistan has always contested the legal validity of Kashmir's accession to India and insists on a plebiscite to decide the issue. India, on the other hand, considers Kashmir's accession to India final and is opposed to a plebiscite.

The Kashmir problem is unlikely to be resolved in the near future. Both sides have taken inflexible positions and negotiations in the past have borne few positive results. Hopes were raised in 1972 when Mrs. Gandhi and Mr. Bhutto met and discussed Kashmir and other problems. An important aspect of the agreement arrived at during these negotiations (known as the Simla Agreement) was that both sides agreed to solve the Kashmir problem peacefully. In fact, it is generally believed that Mrs. Gandhi and Mr. Bhutto came to a secret understanding, according to which Pakistan was gradually to accept the status quo, leaving most of Kashmir with India. However, Mr. Bhutto, faced with opposition from political rivals in Pakistan, changed his mind. Within six months of the Simla Agreement he was reported to be saying that a solution to the Kashmir problem on the basis of the Agreement was not possible. The possibility of a negotiated settlement received a further setback when India exploded a nuclear device in 1974.

The situation has deteriorated particularly during the last decade. For a number of years resentment had been building in Kashmir against the Federal government's interference, aimed at installing puppet governments in the state. Events in the late 1980s, when the Federal government dismissed an elected government, brought latent anti-India feeling into the open. The

[16]According to the principle which formed the basis of India's partition, Muslim majority areas were to be given to Pakistan. Kashmir posed a special problem as its Muslim population and political leadership overwhelmingly supported union with India.

anti-India militant groups (who had formed only a fringe of the political scene of the state until then) were quick to exploit the situation and have gained enormous strength since then.

As the conflict has intensified, a large number of Kashmiri militants and Indian army and paramilitary personnel have lost their lives. The civilian population has suffered the worst as it is exposed to excesses committed by both the militants and the Indian army. It is also faced with serious economic hardship as only very limited economic activity is now possible in the state. Tourism, which provided direct and indirect employment to a large section of the population, is particularly badly hit by the conflict.

The emergence of a strong anti-India militant movement in Kashmir has led to a worsening of Indo-Pak relations. Sensing an opportunity to weaken India's hold on Kashmir, Pakistan has increased its support to the militant anti-India organizations in Kashmir.[17] This has increased the mistrust and hostility between the two countries considerably. Furthermore, the anti-India activities of Kashmiri militants have contributed to the rise of the Hindu extreme organizations in India. These organizations take a very aggressive attitude towards Pakistan. This has put additional pressure on the Indian government to take a tough line on defence-related issues in general, and on Pakistan in particular.

[17]Pakistan admits only to political and diplomatic support to Kashmiri militants. India, however, is convinced that Pakistan is engaged in a low-intensity war with it by providing funds, weapons and training to Kashmiri militants.

Table 1
Military Expenditure (1993)

Country	ME (US$-million)	Armed Forces (1,000)	Armed Forces/1,000 people
Bangladesh	355	107	0.9
Burma	1,510	286	6.6
China	56,170	3,031	2.6
India	8,471	1,265	1.4
Nepal	40	35	1.7
Pakistan	3,111	580	4.6
Sri Lanka1	497	22	1.2

Note: India's defence budget does not include the expenditure on paramilitary forces (such as the Border Security Forces, Indo-Tibetan Border Police and Assam Rifles) which operate at the borders and support the civilian authorities in internal security operations. These agencies are funded by the Ministry of Home Affairs. Similarly, Pakistan's defence budget also underestimates its defence expenditure as the importing of defence equipment is not included.

Source: "World Military Expenditure and Arms Transfer 1993-94," US Arms Control and Disarmament Agency, 1995

Table 2
Military Expenditure as a % of GDP (1985-93)

Country	1985	1986	1987	1988	1989	1990	1991	1992	1993
Bangladesh	1.3	1.5	1.6	1.5	1.5	1.5	1.4	1.5	n/a
India	3.0	3.4	3.6	3.4	3.2	2.9	2.7	2.5	2.7
Nepal	1.3	1.3	1.2	1.2	1.3	1.4	1.5	na	na
Pakistan	7.1	7.5	7.6	6.9	6.5	6.8	6.6	6.3	6.8
Sri Lanka	2.8	2.4	3.1	2.1	1.8	2.1	2.8	2.4	na
China	2.2	2.1	1.9	1.5	1.6	1.6	1.6	1.6	1.4

Source: SIPRI Yearbook 1995, Stockholm International Peace Research Institute, Stockholm, 1995.

Table 3
Infant Mortality Rate
(per 1,000 births)

Country	1980	1994
Nepal	142	95
Bangladesh	132	81
India	116	70
Pakistan	124	92
China	42	30
Sri Lanka	34	16

Source: "From Plan to Market," *World Development Report 1996*, World Bank, 1996, pp. 198

Table 4
Human Development Ranking

Country	Ranking
Sri Lanka	97
China	111
Pakistan	128
Myanmar	132
India	134
Bangladesh	146
Nepal	151

Source: *Human Development Report, 1995*, UNDP, Oxford University Press, 1995.

Table 5
Ratio of Military Expenditure
to
Central Government Expenditure

Country	1985	1990	1993
Bangladesh	13.0	na	na
Burma	18.8	27.6	na
China	23.8	18.8	16.2
India	5.7	13.4	18.8
Nepal	6.2	6.0	5.5
Pakistan	28.1	27.2	26.3
Sri Lanka	8.4	15.3	na

Source: *World Military Expenditure and Arms Transfer 1993-94*, US Arms Control and Disarmament Agency, 1995.

Table 6
Official Development Assistance
(as % of GNP)

Country	1980	1994
Nepal	8.3	10.8
Bangladesh	9.9	6.9
India	1.3	0.8
Pakistan	5.1	2.5
China	0.0	0.6
Sri Lanka	9.8	4.6

Source: "From Plan to Market," *World Development Report, 1996*, World Bank, 1996

Implications of linking development assistance to reductions in military spending
Alejandro Bendaña

Few in civil society would object to the notion that the emphasis on security must change from national security to human security. The question is how best to manage and democratize that change. Specifically how do we make the societies, and the military itself, proponents of such a shift. Notwithstanding the alleged rush toward globalization, the discussion on conversion and security is still "national" in outlook and content. National forms of thinking and acting have not disappeared, and issues of human security, from a governmental and immediate political standpoint, is more often than not tackled within state parameters. The problem then becomes how to best involve diverse corporate bodies within the nation, from civil society and political society, including the military, in the definition of an agenda which enhances both democracy and development, including human physical and cultural security.

The International Dimension

In introducing such a discussion, including the observations brought by external agents in regard to defense budgets, one meets head on with local perceptions that conditionality in regard to domestic investment in military programs in the South is nothing but a pretext to reduce official development aid, today at its lowest point in 23 years according to the World Bank. Motivation also becomes suspect by the fact that military spending is not being curtailed in some countries of the North.[1] One also hears the argument that external demands in reductions in military

[1]A *New York Times* editorial entitled "The Pentagon Jackpot" stated: "Pentagon officials can hardly believe their good fortune. While furiously cutting domestic programs to balance the Federal budget, Congress is showering the Defense Department with billions the generals did not request...the House and Senate seem to be engaged in a race to see which can throw more money at the Pentagon" (*The New York Times*, July 10, 1995). Or, as the United States government considers lifting the bans on sales of F-16 fighter bombers and other high-technology weapons to Latin America, the question is posed why the United States should sell state-of-the-art weaponry to countries that neither need them nor can afford them ("U.S. Weighs Lifting Curb on Arms Sales to Latin America," *New York Times*, July 21, 1996).

spending are self-serving insofar as "savings" are geared to meeting foreign debt and other structural adjustment program fiscal stringency guidelines. A difference would be made, in these circles, between reducing defense spending for the sake of enhancing health and educational programs, as opposed to reducing spending for the sake of budgetary orthodoxy. High sounding declarations of support for development and democracy are questioned by others who point at the power realities inherent in the modern global political economy spelling hostility to the implementation of redistributive policies that would reduce social polarization and enhance social justice.

There are other questions which must be addressed. Does it automatically follow that decreased aid will lead to greater development spending? Is there not evidence to suggest that increasing aid would allow recipients to spend more for military purposes? Or, less likely, that military aid permits recipients to preserve more of their own resources for non-military purposes? One must also distinguish between spending for prestige or kickback-laden weaponry largely irrelevant to a region's security threats (in Latin America, this means drug trafficking and organized crime), as opposed to purchases of equipment which is relevant, such as helicopters, police cars or communication technology.[2]

In any case, there may be an unfair tendency to generalize for the entire so called Third World on the basis of a reduced number of governments who put armies before their peoples. In Latin America at least spending on defense is down to 1.7% of its collective GDP as opposed to 3.1% in 1985. Yet fear of an arms race is growing, driven not only by local armies but also by the Pentagon and US arms makers currently pressing for a ban on sales of more advanced products to Latin America.

Aid Linkage, Conversion and Civil-Military Relations

Many of the arguments are valid but they can and must not negate the central contention that

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[2]Ernie Regehr, "Military Spending and Development Aid to the Third World," *Ploughshares Monitor* (March, 1992); "Latin American Arms," *The Economist*, October 5, 1996.

resources currently being spent on military affairs could be better spent on civilian endeavors. The point here is that this notion is one which must be cultivated within government and civil society and not appear to be imposed from the multilateral institutions and the donor community. Indeed, there is no reason why Latin America's governments should chiefly rely on restraint in Washington or other arms exporting countries in order to contain national defense budgets. Much the same could be said in regard to conditioning aid. These external factors simply divert attention from a government's own weakness or lack of determination. One must first examine concerns of military expenditures into the context of domestic political factors and principally the democratic necessity of insuring domestic civilian control over the military, including its budget.

From the donor's standpoint, the question therefore should be what support can be offered for the domestic, democratic attainment of this tendency. And at the same time support discussions at the level of civil society and the legislatures as to the type of defense policy each country really needs with a view to drawing up guidelines on weapons purchases. In the final analysis, the resources and activities which are the focus of the conversion effort (including military bases) are also the product of national and international discussions and decisions related to security. Civilian sectors must participate in these debates in order to have an impact on the decisions over the if, when and how of reallocation.

In this regard, civil-democratic supremacy extends well beyond simply keeping the military budget in line or the military itself in barracks. It implies imposing effective budget not only of the budgets, but also to intervene effectively in the redefinition of existing security doctrine, force mission, goals and structures to make them consistent with civil rule, and in general improving information and intelligence as the basis for effective monitoring and expertise in military and defense issues. These are not tasks to be assumed by external donors, but by national civic (governmental and non-governmental) sectors. What external cooperation can support is capacity creation at the level of government and civil society recognizing at all times that the degree of civilian control is historically situational.

One must ask what role can conditionality play in influencing responses to democratic transitions, but reflect also as to influencing civilians at the same time so as to inhibit the recent emergence of authoritarian electoral regimes. The goal must be to steadily transform civil control into democratic control. There is no democracy without subordination, but there can be subordination without democracy. Ostensibly, external actors would seek to promote the shift in the balance of power in favor of civilian supremacy by strengthening civil institutions which can harness military expertise yet reaffirm civilian supremacy. Isolating the military from social and economic currents can be detrimental to democratic stability, and in some contexts has favored coup activity. The military must be exposed to diverse interests and forces within a plural civil society. This implies an interaction and ongoing dialogue between the civil and military sector. It also implies avoiding poorly conceived, top down bureaucratic military down-sizing without appropriate consideration of the economic and social conditions in which the reductions including demobilizations take place.[3]

What may be required is further professionalization of armies, as a means of controlling them politically and financially--which does not necessarily imply weakening the military or sharply cutting its budget. To the contrary, specialists have argued that democratization in certain countries (Ghana or Nicaragua perhaps) will be consolidated through further professionalization of the military and institutionalization of political command with civilian oversight–both costly propositions. Objective control may mean maximizing the professionalism of the military since obedience to civilians is at the heart of professionalism, thus insuring civilian control. The point however should not be exaggerated, as political scientist Samuel Huntington perhaps does, in arguing that maximizing professionalism is best achieved by getting the military out of politics and, similarly, getting the politicians out of the military.[4]

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[3]Bonn International Center for Conversion, "Conversion and the Integration of Economic and Security Decisions," Report No. 1, January, 1995, p. 5.

[4]Samuel Huntington, *The soldier and the State, The Theory and Politics of Civil-Military Relations* (Cambridge: Harvard University Press), pp. 83-85.

In our post-Cold War era, or in transition or post-war situations, military professionalism and integration with society is not an either/or proposition: professionalism may well entail the establishment of new definition of security encompassing new social contracts that clearly delineate new spheres of influence, while closing others. But the truth of the matter is that, beyond the general principle of civilian supremacy, those military spheres of influence cannot be determined and dictated from the outside, by economic conditionality or otherwise, inasmuch as civilian control is not a fact but a process with its ebbs and flows resting upon a series of social institutions and behaviors influenced by struggle over time. Yet if military security (or power) is to be fully integrated with other elements of security (or power), then new skills are vital for both political and military officers at all levels. Taking on new missions entails both risks and opportunities in terms of existing norms of civil-military relations.

Military Budgets and Military Professionalism

As one expert writes, "budgetary guarantees will not necessarily be sufficient to deter coups; on the other hand drastically reduced budgets do immeasurably complicate the problem of reform, unless they are combined with some form of downsizing and deep reform of military structures. Budgetary policy thus needs to be coordinated with military restructuring designed to reduce the size and manpower of armies while at the same time improving their armaments, logistics and service conditions."[5]

This is particularly pertinent in countries where civil society and government are weak, and in many senses growing weaker as the product of neoliberal economic policies. That is to say the need for action in the various human security fronts is growing, while the means–organizational and political–seem to be weaker, and not up to the task. The question is then posed, can society in the light of pressing social and ecological needs, afford not to

[5]Eboe Hutchful, "Restoring Civil Control of the Military in Democratic Transitions in Africa: Some Reflections and a Case Study," Seminar on Comparative Civil-Military Relations," Arias Foundation, August 1-3, 1996.

contemplate using the defense apparatus in its quest for achieving the new and higher forms of security. If there is a tendency for militaries, in both North and South, to occupy such spaces one must also recognize that also entails a relative failure or weakness on the part of government and civil society to contribute to human security.[6]

In many countries, democracy will not function without the capability to effectively control and defend the national territory–the paradox of democracy is that it may demand a well-armed army to deal for example with the international drug cartels, yet do so in a way which at the same time is subordinate to civil control. At the same time, the rise of certain new missions for the military–whether internally or externally funded–may be inimical to democracy. Such is the case with the present US-led global trend toward militarizing the counter-narcotics assignment, blurring the traditional boundary with law enforcement, and thus posing a grave challenge to civil-military relations and democracy in general, in both the US and abroad.[7] Drug interdiction also poses a corrosive potential for corruption, particularly where woefully underpaid military officers confront an enemy with virtually unlimited financial resources.

From the standpoint of democracy, there is also need to distinguish between the military as such and special intelligence and security units which are much more likely to be responsible for human rights abuses and political interference. Reconversion here begins with tough streamlining, which in order to be effective may invoke the higher self-interest of institutional survival. In the case of South Africa, the military (and military-industrial complex) has benefitted from the transition process which was once suspect. The army has to be involved in the not

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[6]As one expert explains in regard to civil-military relations in the U.S., "to the extent the military is different than the rest of society, there is a rationale for limiting its involvement in framing policy or even excluding it altogether. But to the extent the military reflects and represents society, it should be fully integrated into policy-making. The only solution is a fragile balance, shifting in response to changes in the strategic environment" (Johnson, "American Civil-Military Relations," p. 1).

[7]This was argued by a serving US military officer cited by Douglas V. Johnson, "American Civil-Military Relations: New Issues, Enduring Problems," US Army War College: Strategic Studies Institute, 1995), p. 8.

simply in the redefinition of its role with civilians along with the recasting of structures, role, mission and objectives. Which brings us to the question of resource constraints, and the high costs of reconversion and enhancing democratic control. In many African countries unpaid soldiers have been responsible for instability, and where the military has been called to help stabilize democratic rule, very often this demanded higher defense expenditures.

Although the argument has been abused, there are a number of areas in which the talents, organization and resources of the military could be brought to bear on behalf of basic human and ecological needs. The notion may seem unpalatable, but in the context of a weak civil society and underfunded or under willed governments on one side, and growing socio-ecological imperatives on the other, one could not, in many countries simply rule out the application of "military" force to social problems. Perhaps armies and police forces can be "streamlined" to become bodies that will support–rather than overthrow–democratically elected governments.

Of course, much depends on the nature and the vision of the military itself. One however should not assume that the military will instinctively always react negatively to such reconversion. The writing is on the wall, and it would appear that a military which keeps to its barracks in this day and age, will eventually become redundant. Military hierarchies are not unaware of the new global conditions, including the shortage of capital for cooperation, nor of demands civilians and donors among others are making on scarce resources traditionally assigned to "security." Reconversion in this context may be a way out; certainly preferable to outright dismantlement and political confrontation on the one hand, or an unhealthy drive to build up independent entrepreneurial tendencies or illicit sources of income on the other.

This scenario presupposes of course that a political reconversion of sorts can or is taking place (South Africa, El Salvador, Nicaragua, perhaps Haiti). Where security apparatus and armies harbor human rights violators and illicit enrichment schemes, then reconversion begins with a thorough cleansing of known violators and counter-insurgency doctrines. This perhaps is less the task of donors than of a nation's own citizens and genuine representatives who must be the first to set the underpinnings for a genuine democratic development, wherever possible through

negotiations.

If and where, as a product of negotiations, war or elections, the possibilities reappear for a reformed or cleansed army to take shape, then reconversion can become a national and an international priority, and donors may be asked to assist. It may be the case--perhaps more in El Salvador than in Guatemala, more in Nicaragua than in Haiti–that the defense apparatus is willing to take part in redefining its own mission, in a way that enhances human rights, development and democratic governance, and indeed by making such objectives central to the mentalities, policies and training of the "new" armed forces.

The Politics of Defense Expenditures

It is in this context, that donors must be aware that strict aid conditionality could inject tensions in a negotiation/transition context, as appears to be the case in certain Central American countries. While the stringency could appear to strengthen the hand of the civic component, one would not wish to see any part overplaying its hand to the point of becoming enmeshed in local politics.

Political discussions, including conditionalities, should also take into account what exactly is the nature of the military expenditure, or the breakdown of the proposed defense budget. Distinctions have to be made between spending for "defense" as opposed to security, including the national police. Where spending on the army is reduced, it almost becomes imperative--particular in transition situations--to step up support for police, particularly community policing, as a means of furthering demilitarization of citizen security. On the other hand enhanced development cooperation to countries where internal security forces are repressive even though there may no only a small army or none at all would not necessarily be welcomed.

Regional balance of forces are also difficult to ignore in determining level of military spending. Where boundary disputes exist, as in Central America, it is very difficult to envision significant reduction in levels of armaments and armies outside the framework of binding

multilateral reductions.

Purchase of sophisticated weaponry merits one sort of response, but civic reconversion should merit another. And reconversion needs to be supported both in principle and by funding, particularly where it may include reduction in the number of troops and consequent demobilization, indemnification, pension, retraining and support for reintegration into civilian life. Experience has shown that rushed and poorly planned demobilization, along with the absence of serious reintegration support strategies, may do more to imperil stability and development, that the maintenance of a large standing army.

What this means in practice is that budgetary allocations for military reconversion may well serve the purposes of sustainable development and democracy, particularly if viewed as a contribution to political stability and as a long term investment in human capital, albeit at present in military guise.

Militarism and Citizen Security

In the final analysis, the issue is not the military budget, nor the military itself, or even the distinction between civil and military regimes, but rather the use of force in the process of governing.[8] The demilitarization of politics is a strategic precondition for democratization and development.

More concretely, how to limit the use of force in the face of the modern onslaught on citizen's physical security witnessed in so many countries. In many respects, taming defense budgets entails taming violence. If military expenditures are to be reduced, this cannot be perceived as taking place at the expense of citizen's security. In the so-called transition countries, the spiraling crime rate is rapidly giving rise to calls for enhanced or renewed internal security

[8]See the arguments made by Anthony Giddens in *The Nation-State and Violence* (Cambridge, 1985).

powers for the Armed Forces bringing forth the possibility of a new authoritarianism.[9]

In this regard, development assistance, while critically examining military expenditures, must also be deal with both the crisis in policing and the question of crime and impunity. While stripping the military of internal security functions is essential, it must be accompanied by policies and resources designed to make the other institutions charged with law enforcement function more effectively and more democratically in dealing with inner city and rural violence.[10]

How then to promote a vision and practice of peace as part of human development and human security? An immediate task is to secure or restore public confidence and involvement in policing while reducing its reliance on force. The arbitrary power of the army cannot be replaced by the arbitrary power of the police. The development debate must also take account of the need to prevent the rise of vigilantes and privatized security by promoting democratic control of the police force, extending support for the learning and application of doctrines for the use of minimum force, improve management and training as well as support for programs in community self policing.

As long as democratic institutions do not appear to function for ordinary citizens, it will be non-democratic authoritarian forces that will develop facile militaristic solutions. Civil society, government and development agencies must urgently articulate concrete proposals to deal with the growing problem of crime in many countries of the South and the real despair it occasions for ordinary people, also taking into account that violence may also be a logical reaction by people driven by oppressive socio-economic circumstances.

Presuming the existence of democratic institutions and spaces for popular participation, increased resources for such potentially useful means would contribute to citizen security, yet

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[9]Miguel Hurzo Mixco, "El fin del ejércite de la sociedad agraria," *Tendencies* (San Salvador), No. 55, julio, 1996.

[10]"Injustice for All: Crime and Impunity in Latin America," *NACLA, Report on the Americas* (Sept/Oct 1996).

upholding the principle of demilitarization, by forging new policing policies and techniques.[11]

Conclusions

The promotion of economically, socially and environmentally sustainable patterns of development would first and foremost entail major changes in the patterns of production, distribution and consumption in countries of the North. By the same token the promotion of peace and democratic governance in the South, would also entail the reduction of defense expenditures and certain foreign policies in the North.

Addressing the question of military expenditures in the South can either help to divert attention (both North and South) from these central global considerations, or if sufficiently analyzed can offer an opportunity to turn the debate over development assistance in a promising direction. How can development assistance assist governments and especially civil societies in the South (and the North) to address not merely the military, but also militarism–a much broader and dangerous phenomenon, which undermines all efforts to promote greater equity and justice?

For too long, the issue of armed conflicts and peace seems to be absent from the overseas aid considerations, which says a good deal about a major gap in the traditional development debate. One would hope that the examination of military expenditures would open the door to the broader questions. Indeed, more and more of the thinking among NGOs in our region and in the North which point to war and militarism as being often at the root of problems that are dealt with in other "development" ways. Furthermore, the issues of peace and conflict cannot be addressed in isolation from their broader societal context, including the questions of power, oppression and domination are central. Still the debate may provide us with a unique opportunity to help translate an understanding of the peace (military)-development axis into an operation synthesis at the level of development assistance policy. Further support is therefore needed to identify and sustain process by which people, training, technology, equipment and other resources are shifted

[11]See for example, Gavin Cawthra, *Policing South Africa: The SAP and the Transition for Apartheid* (Zed Press, 1994).

from military activities into development.

The plea therefore would be for a more holistic approach to the issues of peace-building, development, and conversion processes. Such an approach could lend itself to the construction of broad constituencies, normally disparate, yet potentially capable of being united by the single issue of peace. In this way, we can connect the issue of peace in both the South and the North to the question of disarmament, again both North and South.

Support for Ex-Combatant Reintegration

Among the action possibilities we would stress is the promotion of national and international budgetary allocations to encourage the demobilization and effective reintegration programs for ex-combatants. Outright calls for the abolition of armed forces altogether are incomplete at best, and irresponsible at worst, if they do not deal with the human and security implications of demobilization.

Ex-combatants face enormous obstacles to achieve re-integration. This is especially the case in countries with seriously deteriorated economies and implementing structural adjustment policies. There are also generalized feelings of frustration and despair sparking occasional violent reactions to what the ex-soldiers considered lack of governmental compliance with demobilization accords and the crippling absence of employment opportunities on account of the generalized economic crisis.

Still ex-combatants acting through their associations can play an active role in promoting urban and rural social stability by being allowed to have a voice and participation in reintegration and reconciliation programs. With steady accompaniment by NGO peace-builders, countries such as Nicaragua and El Salvador have witnessed a steady reduction in the levels of hostility and distrust between ex-combatants from each side, as avenues for mutuality and constructive interaction could develop and enable ex-combatants not only to reconcile but to make peace-building contributions to their community.

Some specific suggestions are:

(a) Governments must enact and implement genuine peace-building and reconciliation initiatives which encompass both rehabilitation (psychological and material) and reconciliation. Peace accords should be specific and realistic insuring the allocation of sufficient resources to meet both short and long term needs. Reintegration is not an automatic process, nor does demobilization end when the weapons are turned in. Psycho-social support systems are necessary.

(b) Ex-combatants must be full participants in the articulation of reintegration projects; they should be treated as subjects with particular needs, and not simply objects grouped together along with uprooted populations. They have the right, duty and capacity to play an important role in reconstruction, and in doing so they contribute to reconstruction and development. Space must be created for such participation and the channeling of veteran qualities and energy into real peace and development. Budgetary constraints should not be allowed to impose arbitrary time limits on a reintegration process, expecting ex-soldiers to sink or swim once their entitlements are cut off.

(c) Because weapons will continue to abound notwithstanding necessary disarmament campaigns, it is important that veterans themselves receive training in and develop skills for working with conflict and assimilating values underpinning a Culture of Peace. NGOs, churches, communities can be important capacity builders in this regard while veterans themselves have important skills which can be channeled towards peace-building.

(d) There are no universal solutions or ready formulas for dealing with ex-combatants in so called "post conflict" societies. Situations will vary. What is clear is that such work must be rooted in the context and realities of each situation. Above all, the work with ex-combatants must be characterized by commitment to the ex-soldiers, their families and communities, as potential agents of peace and change, and not simply threats or socially unwanted reminders of war.

(f) It would be important for veterans themselves to be able to directly convey their own experiences to each other across geographical barriers.

(g) There could be an exploration of alternative basic education programs for demobilized people which could use some distance education methods such as audio, print and study group learning to offer a broad curriculum including the principles of education for conflict resolution as well as health education and practical vocational training.

Linking Military Expenditure and Development: Perspectives from the Horn Region
Josephine Ajema Odera

> *The production, trafficking and accumulation of arms are, for the most part, direct causes of poverty, inequality, oppression and environmental degradation that burden us.*
> Oscar Arias Sanchez (State of the World Forum, 1995)

The Greater Horn of Africa sub-region comprises Sudan, Somalia, Ethiopia, Djibouti, Eritrea, Kenya and Uganda. This classification subsumes what is conventionally regarded as the Horn of Africa (the term "Horn" is used here to refer to the Greater Horn sub-region).[1] Most of these countries, except for Eritrea and Djibouti, have been independent for at least three decades. The latter gained independence in 1977, while Eritrea became a state in 1993, becoming the most successful secessionist case in Africa. Of the countries in the sub-region, Sudan, Somalia, Ethiopia, Eritrea and Uganda have suffered protracted civil wars (see sidebar on "A region in conflict"). Tanzania was militarily engaged with Uganda in 1979 when she sought the ouster of the infamous General Idi Amin. At the national level, however, Tanzania has been relatively calm. Kenya and Djibouti may thus be the only countries not to have gone to war. That is not, however, to overlook the looming tension in both countries, heightened by differences in or the management of the democratization process.[2] Indeed, the region promises to remain mired in conflict for some time.

Commenting on the large presence of arms, and the ecological frailty of the region, Atieno Adhiambo states:

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[1]Strictly speaking, the Horn comprises Djibouti, Somalia, Sudan, Eritrea and Ethiopia. For geo-political reasons, Kenya and Uganda are included. In our analysis Tanzania in included to capture the East African Community area.

[2]Djibouti has been embroiled in tension which has pitted the government against the opposition FRUD. An agreement to settle differences was reached but this has not entirely dissipated the tension. Kenya suffered an abortive coup d'état in 1982. In the period 1991-92, at the ushering in of multi-party democracy, ethnic clashes, particularly in the Rift Valley and Western Provinces, were the most serious threats to internal peace and security. The impact of the clashes is felt even today.

> Destruction of society through warfare and decimation of people and animals by drought have been the trademarks of the region...a fragile ecological environment whose occupants have had more than their share of disaster, drought, disease and famine.... The presence of small arms in the region whether these are residual from superpower rivalry or through internal cleansing of the military or para-military forces or whether acquired by elements interested in taking over power, or by poachers, gangsters, run-away soldiers or refugees, there are enough arms in the region to sustain regional conflicts for a long time....[3]

According to John W. Harbeson,[4] conflicts, particularly identity struggles in the Horn of Africa, have largely been responsible for drawing resources away from development and the fight against poverty. Harbeson further suggests that these struggles have made the Horn the "most militarised region on the continent." The Greater Horn of Africa Sub-region, which is the focus of this paper, is thus quite clearly conflict-prone and has been so for the last 30 years or more.

All countries of the Greater Horn of Africa region are classified as low-income (see **Appendix 2** on economic crises).[5] Although the share of agriculture in GDP averages about 30 per cent or more, the sub-region is noted for persistent drought and famine. It is not surprising, therefore, that the UN saw fit in 1985, through the Economic Social Council, to encourage the establishment of the Inter-Governmental Authority on Drought and Development, a body to focus specifically on drought and development. In March 1996 it was re-named Inter-governmental Authority on Development (IGAD), and continues to pursue development in a broader context while still addressing the issues of drought, desertification and, additionally, conflict management. The portfolio of IGAD thus basically expands to include a role that it had

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[3]Atieno Adhiambo, "The Economics of Conflict among Marginalised Peoples of Eastern Africa" in Francis M. Deng and I. William Zartman, eds., *Conflict Resolution in Africa* (Washington: Brookings Institutions, 1991), pp. 293.

[4]John W. Harbeson, "International Politics of Identity in the Horn of Africa," in Harbeson and Rotchild, *Africa in World Politics* (Boulder, CO.: Westview Press, 1991).

[5]World Bank, World Development Report, 1995.

undertaken, outside its mandate, since 1991.[6]

By the end of the third United Nations Development Decade, all the countries of the Horn were worse off than at the beginning of the first Decade. Per capita incomes had declined and countries such as Kenya had become net food-importing countries.

Given these statistics, which seem to show some improvement in the 1990-94 period for GNP growth rates, it is particularly important to examine development priorities for the region. While the gross ODA disbursements had been growing for all the Horn countries, except for Sudan, this was not reflected in the economic performance in the first three decades. The ultimate change in donor policies which introduced political conditionalities for aid; the insistance by major international financial institutions on issues of good governance, accountability and transparency; and the subsequent reduction of options for avoiding structural adjustment programs all combined to produce fundamental changes in the political and economic management of African countries.

To be able to realize fully the developmental impact of the political and economic changes, development must be prioritized to invest in people. In examining US assistance to the six largest African recipients between 1962 and 1988, four of which are in the Horn region, Clough concludes that over 50 per cent of that assistance went to the heads of state to keep them in power. **(Note required)** It is possible that military capacities that were built up during the Cold War serve as a drain on development assistance at the expense of the people. If aid can be conditioned on political developments, the same can be done to rationalize military expenditure. The World Bank's proposal to make aid more effective clearly rules out military financing as effective aid utilization:

> The financing gap is large and growing. The aid required can be justified only if it is clear that the need for aid will eventually decline. Neither donors nor recipients can accept a strategy that envisages permanent dependency. There must be a credible commitment that ensures that aid funds do not go, even indirectly to finance military spending, luxury

[6]All countries of the Greater Horn are members.

consumption, or capital flight.[7]

For the proposal to be effective, recipient countries must also undertake simultaneously to reduce military expenditure and to give priority to social and productive sectors.

For many African countries, it is difficult to get accurate data if any at all on military expenditure. Much of the data is spread over many sectors and guarded as top secret. For purposes of obtaining some picture of the expenditure implications, we have used defence spending as presented in budgetary outlays as an indicator of military expenditure. Even with the knowledge that these data are probably lower than actual figures,[8] defence expenditure is shockingly high (**Table 3**). In Sub-Saharan Africa, the six poorest countries with the highest military spending (Sudan, Ethiopia, Chad, Burkina Faso, Mozambique, Mali)[9] include two from the Horn region. It is thus important that transparency in security matters be promoted so that a more realistic analysis of defence/development impact can be obtained.

Changing Priorities

The accompanying brief outlook of defence/military expenditure (see **Appendix 3** on military spending) reveals that in all these countries, defence and security are given much higher budgetary or resource allocation priority than most developmental sectors. Only public or general administration competes with this sector. While one may argue that the high propensity to conflict naturally brings defence and security to the top of the agenda, the imbalance in allocation is extremely wide. For the period 1985 to 1992, only Kenya appears to have reduced defence expenditure. It might again be argued that Kenya has not faced any serious threat in that period, but neither has Tanzania.

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[7]*Sub-Saharan Africa: From crisis to sustainable growth*, Washington, DC: World Bank, 1988, p. 14.

[8]See discussion on military expenditure in Africa by Nicole Ball, "Effect of Conflict on Third World Countries," Deng and Zartman, pp. 272-91.

[9]UNDP Human Rights Development Report, New York, 1994, p. 57.

Thus, it is obvious that the military occupies a privileged position with respect to resource allocation. Clearly, assistance should be directed at the peaceful resolution of conflict, thus freeing up for development resources currently tied up in defence. The statement that in the developing world, "the chances of dying from social neglect (malnutrition and preventable diseases) are 33 times greater than the chances of dying in a war from external aggression"[10] poses a serious challenge to security perspectives of poor countries with high military expenditure. Broader considerations of human security need to be integrated into national security definitions. Recent conflicts in the Horn region are a compelling force for reviewing defence expenditure in the light of human security.

The threat of external attack in the region seems to exist only between Uganda and Sudan. But neither of these countries will risk an external war given the political and security constellations in the region and within their own countries. Why , therefore, do countries in this region feel a need to spend so much on defence or maintain armies that are not socially productive? It is difficult to justify the social function of the army to the poverty-stricken masses. Their quality of life is not improved by the mere knowledge that they have a sophisticated army. Their quality of life will be improved when poverty levels decline; when they have food, shelter, and access to clean water; when their children can go to school and receive medical care whenever necessary; when their basic needs are met. Tying aid to a reduction in military expenditure seems a valid starting point as it compels both the recipient and the donor countries to observe reduced allocations to the military.

None of the countries in the Horn can be considered significant arms producers but many of the OECD countries are among the biggest arms suppliers to the region. The proposal that official development assistance be conditioned on reductions in military spending should compel donor countries to rationalize military commercial interests and development objectives for

[10]UNDP Human Development Report 1994, p. 50 on the various aspects of human security.

which their aid is intended.[11] The old saying that you cannot have your cake and eat it too, rings true for military conditionalities and development assistance.

A recent development in Kenya with respect to military spending is the reported construction of an ammunition factory in Eldoret in which a Belgian company is implicated. Its location is significant if only because the Rift Valley, where Eldoret is situated, was the major scene of the horrendous ethnic classes of 1991-92 and which have not totally ceased. The factory, whose true cost remains a secret, is believed to cost somewhere between US$9-258 million. The financial question that now arises is why such a massive ammunition factory can progress with no donor dissent while the Eldoret International Airport was targeted by donors as a misallocation of resources.

The debate in Kenya over the ammunition factory has implications for linking military expenditure to development assistance. First, citizens in recipient countries do expect donors to intervene where military spending seems unreasonable. Second, the juxtaposition of the debate on the ammunition factory with the debate on the Eldoret Airport implies that citizens in recipient countries are also interested in the donor rationale for financing projects. Last, the debate shows that legislation restricting the destination of military technology is not enough to deter crude commercial interests. Significant change will require a commitment stronger than legislation.

NGO Reflections on Military Expenditure and Development Assistance[12]

Most of the NGOs in the Greater Horn of Africa are mainly engaged in relief and humanitarian

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[11]Randall Forsberg, "Security through Military Defence?" in Elise Boulding, ed., *New Agendas for Peace Research: Conflict and Security Re-examined* (Boulder, CO: Lynne Rienner, 1992), pp. 62-78. Forsberg offers some proposals for non-offensive defence for the major powers but which are interesting for reductions in military expenditure. See particularly her proposals for reductions in arms exports.

[12]Some of the views expressed in this section come from a survey conducted in May 1996.

assistance, training, health, and support for economic activities such as self reliance, income-generating projects and community-based development initiatives. A large number of NGOs are affiliated with institutions in the North. Although local NGOs are gaining ground, a significant part of their financing is still external. The rationale for the proliferation of NGOs varies from region to region and can even be triggered by tragic events such as those witnessed in Somalia and Rwanda.

Of the 369 registered NGOs[13] in Kenya, for example, 252 are engaged in a combination of the following areas: welfare, education, health, water, agriculture, environment, and informal sector; 20 are in health; 18 in environment and education; 15 in small enterprises; 13 in welfare; 9 in relief; 2 in social research and community development and 1 each in policy studies, law, peace, charity organizational development. The register does not specify what is done in each area. Many carry out a multiplicity of activities but rarely discuss the policies of the host government.

Until fairly recently, NGOs pursuing development activities in the Horn viewed their activities independently of political happenings in the region. Except for human rights abuses, against which a limited number of NGOs have spoken, most NGOs seem to prefer to steer clear of any political discourse. For many, perhaps, the discharge of their mission has been of far greater importance than raising issues that might be viewed with disfavour by host governments. Given the "personal hold" of governments on security, NGO aloofness may be justifiable. NGOs thus have been reluctant even to engage in debate on security issues which governments label sensitive. In recent years, however, and particularly since the advent of political pluralism and the linking of development assistance to political conditions, NGOs have changed the way they pronounce on issues. Thus human rights, popular participation, and other such variables have come to feature prominently in NGO equations for development assistance.[14]

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[13] *Directory of Non-Governmental Organisations* (Nairobi: Government Printer, 1994).

[14] See, for example, recommendations of the African Charter for Popular Participation in Development and Transformation.

However, most NGOs have seen their mission as promoting development that targets grassroots or people-centred initiatives. Thus, in development, NGOs will largely be found initiating or participating in projects for social well-being (education, health, entrepreneurial development, etc.). In these areas NGO's are perceived as an alternative to the state in the implementation process. The NGOs' comparative advantage,[15] due to their flexibility, lower implementation costs, and motivation based on shared values and their ability to reach "the people," makes them a suitable vehicle for development operations.

In contrast, on national security issues, the state has always assumed sole responsibility. In effect, there is no alternative paradigm for national security responsibility. While NGOs may question how national security and threats to security are defined,[16] governments in the Horn, as elsewhere in Africa, tend to treat national security as synonymous with security of the power elites. Any threat to the political powers is thus construed as a threat to national security. Thus security forces are sent to quell any expression of opposition to the power elites in the name of maintaining national security. In nearly all the countries of the Horn, the military is systematically co-opted or called upon to protect the regime against any discontented element. NGOs are thus reluctant to address security issues and may be cautious in urging the linking of development assistance to military expenditure, however, with the opening up of political processes, NGOs have become bolder and are now able to venture into areas that previously appeared to be for "authorized personnel" only.

In reality there has always been a concern for trade-offs between defence and development. Yet for many of the Horn countries, security data are never fully identifiable in national statistics, have many gaps, and are thus grossly inadequate for useful analyses. Most

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[15]See the discussion on NGO comparative advantage in the article by Martina Vahehans, "The New Popularity of NGOs in Development and Cooperation, " **[journal?]** 3 (1994): 20-22.

[16]See Peter Nyot Kok's discussion on conflicting concepts of national security in "The Ties That Not Bind: Conflict and Racial Cleavage in the Sudan," in P. Anyang Nyong'o, ed., *Arms and Daggers in the Horn of Africa: Studies on Internal Conflicts* (Nairobi: African Academy of Sciences, 1993), pp. 33-65.

NGOs, therefore, see a need to make security date more transparent. Many believe that whatever military expenditure is visible cannot be justified, especially when compared with the more pressing needs of education, health care, and infrastructural development.

In the concluding section, we present our recommendations from the survey and elsewhere.

- Tension or perceived threats in the Horn region increase the propensity for military expenditure. There is, therefore, a recommendation that non-military aspects of security need to be pursued by promoting peace dialogues. These are less expensive and have a better chance of addressing the root causes of tension, threats, or conflict. Official development assistance should be channelled into peace programs and away from military expenditure.
- Perhaps because NGOs have stayed away from security issues for so long, their recommendations for tying official development assistance to a reduction in military spending are more general than specific. Many see a clear need to reduce military expenditure but are unable to recommend any specific levels. One of the interesting general recommendations is that any rise in military spending should be matched by a similar decline in development assistance. They also propose formation of regional defence forces but at the same time doubt the defence ability of regional bodies such as the OAU.
- The quality of official development assistance can only be improved if it goes into productive sectors.[17] Hardly any of the military expenditure goes to serious research and development to generate any social spinoffs.
- Demobilization and disarmament programs could reduce military eexpenditure with the support of foreign assistance. The World Bank, for example, supported the demobilization and reintegration program in Uganda. The success of maintaining a

[17]R. Jenks and J. Jeavons, "International Development: Cooperation Towards a New World of Partnerships," *The Courner* [Courier?] 156 (March/April 1996), 65-66.

reduction in military expenditure may be helped by related conditionalities.

- The ban on anti-personnel landmines championed by the International Committee of the Red Cross (ICRC) is widely supported by other NGOs. It is estimated that Horn countries Somalia, Sudan, and Eritrea each have about one million planted landmines, while Ethiopia has half a million.[18] The exact numbers in Uganda are unknown. Assistance in training local personnel for demining and supporting legislation to ban antipersonnel landmines have implications for both donor and recipient countries. Rather than increasing defence expenditure, assistance should aim at providing long-term, secure environments.
- Aid-receiving countries should have a set level for military expenditure. Ind 1974, donor countries were asked to increase their official development assistance to 0.7 per cent of their GNP. It may now be appropriate to seek a realization of this target and demand that military expenditure levels in recipient countries remain below 1 per cent of GNP. As McNamara states:

> The application of such conditionality will be difficult and contentious...[but] it is part of the solution to the waste represented by excessive military spending in poor countries.[19]

In general, the tying of military expenditure reduction to official development assistance must genuinely proceed from a desire to make aid more effective[20] and people-friendly. It must aim to make African economies stronger and increasingly self-reliant. Increased military expenditure has done none of these.

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[18]ICRC, "Landmines Must Be Stopped," 1995.

[19]Reproduced in the article by Simon Rayham, "Geopolitics, glasnost and Africa's second liberation: Political and security implications for the continent," *Africa Insight,* 21:4 (1993): 264.

[20]See the discussion on progressive demands by Peter Anyang Nyong'o in his article, "The One-Party State and its Apologists: The Democratic Alternative," in Anyang Nyong, ed., *30 Years of Independence in Africa: the lost decades?* (Nairobi: African Academy of Sciences, 1992).

Appendix 1:

A Region in Conflict

Sudan has been in a state of civil war since the dawn of independence (1955). A break in the civil war was attained in 1972 at the signing of the Addis Ababa agreement. The agreement was abrogated in 1983 and the war has continued since. Several coups have taken place but with no significant change or impact on the containment of the civil war. Unfortunately, the IGAD (Inter-Governmental Authority on Development) mediation has not progressed beyond the Declaration of Principles which sets out the fundamental areas for negotiation. Khartoum has rejected the Declaration on the basis of two issues: separation of state and religion and self-determination.

In Ethiopia, Haile Selassie was overthrown in 1974 by the military which took over power with Mengistu Haile Mariam at the helm. For almost twenty years, the country experienced both military dictatorship and internal strife with the Tigreans, Oromos and Eritreans struggling to overcome the regime of Mengistu. This they finally did in 1991. The ouster of Mengistu facilitated the independence of Eritrea in 1993, while Meles Zenawi, a Tigrean, became the head of Ethiopia's Transitional Government. Differences in the "ethnic" coalition government soon emerged and the Oromo Liberation Front (OLF) later withdrew from government. Meles's leadership was formalized in May 1995 when elections were held, albeit with limited participation from opposition groups. The exclusion from government of groups such as the OLF may become a real threat to the peace of Ethiopia.

The case of Somalia is well known and there appears to be no viable solution to the prevailing anarchy in sight. Efforts by some international agencies to create local administrative structures and promote economic activity are commendable, although fighting among clan-based factions continues in late 1996.

Uganda suffered social and economic decline during Idi Amin's reign from 1971-79, and then experienced governmental crisis and civil war until 1986 when Yoweri Museveni took over power. Peace and calm have returned to Uganda. In the April 1996 presidential elections held in

April 1996, Museveni was elected president, however, a rebel movement, the Lord's Resistance Army (LRA) is carrying out armed opposition from bases in the north. Unconfirmed reports suggest that the LRA is supported by Khartoum to counteract Uganda's alleged support for the Sudan People's Liberation Army (SPLA).

Appendix 2:

A Region in Economic Crisis

The data clearly indicate that the Horn has been in a deepening crisis (see **Table 1** showing a decline in per capita incomes). An interesting point to note, however, is that in Sudan (1973-80) the per capita GNP increased dramatically during the period 1973-1980, a development attributable to the peace following the Addis Ababa agreement of 1972. Somalia also registered some improvement during the same period but by the third decade all per capita incomes had negative growth rates.

According to **Table 2**, Uganda and Ethiopia received significantly more aid in 1993 than in 1987. The GNP average growth rate for Ethiopia for the period 1990-94 was 1.6 per cent, with an impressive annual growth rate for 1993 of 12.4 per cent. For Uganda the GNP average growth rate for the period 1990-94 was 5.6 per cent, with a rate in 1993 of 9.8 per cent. Tanzania's GNP average growth rate for the same period was 2.6 per cent, with the most impressive year in 1994 when the average growth rate was 5.7 per cent.

Except for Djibouti, which is categorized as less indebted, all other countries in the Horn are categorized as severely indebted. Again, except for Djibouti, which had a per capita GNP of US$780 in 1993, the rest had a per capita GNP of less than US$300 in 1993 (Ethiopia US$100, Uganda US $180, Tanzania US$90, Kenya US$270).

Appendix 3:

Military Spending

From the most recently available statistics, we note that defence is among the largest recipients of budgetary allocations in nearly all the Horn countries. In Djibouti expenditure on defence was 18.2 per cent of total budgetary resources in 1990. This was the second highest allocation after General Administration (44.3 percent). It was followed far behind by education (7.65 per cent), economic services and debt servicing, in that order.[21] The debt servicing was 4.8 per cent in 1990 and 4.4 per cent in 1992.

Djibouti is highly dependent on foreign assistance. Her relations with France, strategic location in the Gulf and Islamic majority have helped to procure substantial amounts of aid from France, USA and the Arab countries. The internal crisis in Djibouti, particularly with FRUD, has led to increasing military expenditure but France has used its aid leverage to compel the government to reduce military expenditure and to negotiate with FRUD. This experience, while limited in success, shows that it is possible to use aid for reduction in military expenditure. The French decision may have been necessitated, though, by reasons other than a trade-off between military expenditure and development, such as the costs of the military co-operation agreement.

Ethiopia is one of the poorest countries of the region and the world. Statistics show that until 1988, expenditure on general services and defence was higher than the combined expenditure on education, health, transport and communications. A separate category of public order and safety received significant allocations even above health. There was a sharp increase in military expenditure after the overthrow of Haile Selassie in 1974. It is estimated that the size of the army rose from 350,000 to 5 million in 1990. However, statistics are lacking on current military expenditure. It would be interesting to examine the recent data, particularly after the end of the Eritrean struggle for independence, in order to determine the standing of defence

[21] *Africa South of the Sahara*, Europa Publications Ltd., 1994, 1995.

expenditure in resource allocation.According to available statistics, Ethiopia has the highest defence expenditure of the countries under consideration. Between 1985 and 1992, Ethiopia's expenditure on defence increased by over 80 per cent (**Table 3**). In 1993, Ethiopia was the highest recipient of official development assistance in the region (**Table 1**). Assuming that the end of the civil war has led to a decline inmilitary expenditure, we may expect development to receive a higher share of aid. Programs of demobilization and reintegration of ex-combatants have been established.[22] This reduction in military personnel can be a definite step towards reduction of military expenditure.

In Uganda, defence expenditure increased by almost 300 per cent between 1985 and 1992. This increase in defence expenditure is partly explained by the rebellions that the Museveni government had to deal with after Museveni took power in January 1986. In 1986, defence expenditure had the single highest budgetary allocation (representing about 26 per cent of the total), followed by general public services (21 per cent), while education represented 15 per cent and health a mere 2 per cent. Expenditure on defence was far higher than that for health and education combined, and reveals an imbalance in resource allocation between defence and development. In a recent report (reference), donors expressed concern over Uganda's defence expenditure. They contend that defence spending has risen by 11.9 per cent, one year after the World Bank-sponsored demobilization and re-integration program. The report claims that demobilized soldiers are being recruited again into the army. If these claims are true, then the full benefit of Uganda's rising economic performance could be diverted to defence spending.

Sudan's defence expenditure rose by over 100 per cent between 1985 and 1992. In 1990, Sudan was the IMF's largest debtor; Sudan's arrears to the Fund (US$1,700 million) were deemed to be the highest ever in the Fund's history. With continuing civil war, pitting the government against the South, it is unlikely that defence spending will decline.

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[22]IRG, *Report of the IRG Workshop on Demobilization in the Horn of Africa: Lessons from experiences in Sub-Saharan Africa, Addis Ababa, 4-7 December 1994* (Waterloo, ON: Project Ploughshares). The report discusses the nature, challenges and lessons from these programs.

Tanzania's defence expenditure rose by about 30 per cent from 1985 to 1992. Defence and security expenditure was the second highest after public administration between 1986 and 1989. The defence and security expenditure was consistently higher than the combined expenditure on education, health, electricity and communications, except for 1988-89. Education represented 37.7 per cent of defence budget, health 32.7 per cent, electricity and water 14.8 per cent, transport and communications 14.6 per cent.

Table 1
GDP/GNP Per Capita Average Annual Growth Rates

Country	1965-1973		1973-1980		1980-1987	
	GDP %	GNP per capita %	GDP %	GNP per capita %	GDP %	GNP per capita %
Uganda	3.6	0.7	-2.7	-6.2	0.4	-2.4
Somalia	2.1	0.1	-7.8	4.6	2.2	-2.5
Kenya	7.9	4.7	4.8	1.3	3.8	-0.9
Sudan	0.2	-1.7	7.0	3.5	-0.1	4.3
Ethiopia	3.9	1.1	1.6	0	0.9	-1.6
Tanzania	4.8	2.0	2.3	-0.9	1.7	-1.7

Source: World Bank 1989: Sub-Saharan Africa from Crisis to Sustainable Growth

Table 2
Official Development Assistance
(in US$m)

Country	Period					
	1975	1980	1985	1986	1987	1993
Ethiopia	134	212	715	636	635	1209
Tanzania	295	679	487	681	882	978
Uganda	48	114	182	198	276	707
Somalia	152	433	353	511	580	609
Kenya	129	397	438	455	565	929
Sudan	265	583	1128	945	901	485
Djibouti	34	73	81	115	92	131

Source: i) World Bank 1989: Sub-Saharan Africa from Crisis to Sustainable Growth
ii) UNDP–Human Development Report 1985

Table 3
Military Expenditure

Country	Defence Expenditure						Military Expenditure	
	US$m (1985 prices)		as % GDP/GNP		Per Capita (US$; 1985 prices)		as % of combined education & health expenditures	
	1985	1992	1985	1992	1985	1992	1960	1990-1
Kenya	256	236	4.3	2.8	13	9	8	24
Sudan	207	532	3.4	15.8	9	20	52	44
Tanzania	280	365	4.4	3.6	13	14	4	77
Djibouti	32	38	9.2	9.6	94	89	n/a	n/a
Uganda	53	151	2.7	2.9	4	8	n/a	18
Somalia	46		4.6		9	n/a	n/a	200
Ethiopia	447	811	9.4	20.1	11	17	107	190

Source: UNDP (1995) Human Development Report pp. 182-3; World Bank: World Development Report 1995

Does tit-for-tat work for disarmament?
Carlos Alberto Afonso

The issue of development assistance should always be dealt with from the perspective of a central strategy of sustainable combat against poverty, with the goal of eradicating it. This is the reason why official development assistance (ODA) must have one central goal, which is to effectively contribute to human development. This commitment towards sustainable human development was taken by participants at Copenhagen's Social Summit (1995), and requires that all agents involved-- donors and beneficiaries-- are engaged in a joint project which will benefit all of humankind.

This is the view of human development which many non-governmental organizations (NGOs) embrace as their goal as agents of change in their countries. On the other hand, it must be remembered that there is no such thing as the "NGO community", especially if we are looking for common strategies and priorities, even though most will share the same mission. The ensemble of NGOs in each country, or even in each grouping of organizations with similar fields of activity, is extremely diverse, resulting in an extensive array of varying proposals and approaches to unleash or participate in processes towards a common goal.

Thus, we are here trying to explain the view from a Brazilian NGO (namely,IBASE) which has been internationally known for its innovative actions in the struggle against social exclusion and poverty.

Although one of our priority projects is a close follow-up of how the national budget relates to human development, IBASE has not specialized in analysis of military spending. We do know, however, that military outlays in many countries (developed or otherwise) as compared to other government expenditures vary widely both as percentage of GNP and of social expenditures (even the ones which may be characterized as social development expenditures instead of maintenance outlays), and a positive correlation between higher military spending and lower human development is not so obvious.

Who would imagine the horrible re-enactment of fascist atrocities against civilians in

Europe with the Bosnian war? Or the generalization of the Hutu-Tutsi tribal conflicts into a methodic massacre of civilians across several countries in Africa? How do these brutal mass murders relate to military spending as much as they do to super-powers' political manipulations or ignorance of (or unwillingness to seek non-violent solutions to) untenable ethnical tensions? Given the difficulties in comparing different countries' situations, it is extremely difficult (and dangerous for its social consequences) to propose generalizations such as "adequate" limits of military spending or "proper" correlations between military outlays and social expenditures, as much as we ethically want those to be as negligible as possible.

A conclusion is that the generalization of a policy of "automatic release" of development funds as military spending goes down might be too simplistic, and the main victim of it, ignored by national governments in many cases, might be the targeted beneficiaries-- the people this policy honestly wants to help.

Precarious democratic situations make it quite difficult for civil societies topropose and enforce civilian control of government spending priorities (military or not). Let us recall that working democracies in most countries are quite limited-- witness Chile, in which the democratic government cannot dismiss its former ferocious military dictator from his top position in the Armed Forces until practically next century (unless nature takes him away earlier); in such a situation, how can Chile freely establish a firm policy of diminishing military outlays? Should then the people of Chile wait until next century for ODA?

Brazil is certainly an interesting case, full of impressive contrasts. As a society, it is one of the most unjust in the world, as studies from UNDP and the World Bank show. As an economy, is among the first ten industrial countries, but a fifth of its population (more than 30 million people) go hungry. As an agricultural producer, its gigantic proportions and huge available productive land extensions notwithstanding, it harvests only about 4% of the world's total grain production (about 70 million metric tons per year), but is a leading exporter or soya beans, orange juice and several other agricultural and livestock products. Despite its recent history of a lenghty military dictatorship (1964-1984) during which it became a leading producer

and exporter of conventional arms, outlays on the military are not as high (as a percentage of GNP or even of social expenses) as most other countries.

Certainly Brazil is not at war nor risking transborder war engagement for the foreseeable future (the most recent war its military waged was against its own people during a protracted 20-year authoritarian rule). If one could talk about unavoidable priorities in military spending, and if we consider domestic security as part of military spending, the focus in this case could be on modernization and "humanization" of local civilian and military police forces (plagued by extensive incompetence, brutality and corruption), with emphasis on intelligent crime prevention and not brutal and ineffective repression as it is today.

The essential issue to be considered, however, is not one of tit-for-tat in military spending versus development assistance-- it is of social and institutional agents involved in the development process. Recently, most multilateral organizations (from UN agencies to the World Bank) have been increasingly recognizing the importance of seeking alternatives to dealing only with national governments in supporting development programs. Considering civil societies' non-profit, engaged organizations (generally known as NGOs) as partners in aiming for effective change was anathema for most of these international bodies. But today NGOs are called to practically all summit events of the UN (starting with Eco '92 in Rio), and even the World Bank has created NGO liaison offices. NGOs are also invited to participate in the processes leading to UN events, and to help monitor their results-- an unthinkable opening to civil society less than a decade ago.

If a general recommendation could be humbly made, then, it is that, instead of seeking a generalized and simplistic form of pressure to influence reduction in military spending, and without abandoning extensive efforts to effectively reduce these (in particular by reducing arms exports), that donor countries seek to establish and reinforce new, legitimate partnerships away from central governments, and closer to local governments (municipalities) and civil society's organizations. These are much closer to the people in real need (the fundamental beneficiaries of human development) than national governments and the elites who control them.